

CITY OF GRAND PRAIRIE, TEXAS ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2025



Grand Prairie
— T E X A S —

City of Grand Prairie, Texas

Annual Comprehensive Financial Report

For the Fiscal Year Ended

September 30, 2025

Prepared By the Finance Department



Ron Jensen
Mayor

William A. Hills
City Manager

Cheryl DeLeon
Deputy City Manager

Susan Sanders
Director of Finance



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City of Grand Prairie, Texas
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2025
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Introductory Section



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March 3, 2026

To the Honorable Mayor,
Members of the City Council, and
Citizens of the City of Grand Prairie, Texas

The Annual Comprehensive Financial Report of the City of Grand Prairie (the City) for the fiscal year ending September 30, 2025, is hereby submitted as mandated by local ordinances and state statutes. These ordinances and regulations require that the City issue an annual report on its financial position and activity, and that an independent firm of certified public accountants audits this report.

Management is responsible for the data's accuracy and the presentation's completeness and fairness, including all disclosures. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and for the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. All disclosures necessary to enable the reader to understand the City's financial activities have been included.

The City Council selected the firm of Weaver and Tidwell, L.L.P., Certified Public Accountants, to audit these financial statements in accordance with auditing standards generally accepted in the United States of America. The independent auditor has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2025. The auditor's report is located at the front of the financial section of this report.

Management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

The City is also required to undergo audits in accordance with the auditing standards issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). These audits are conducted simultaneously with the City's annual financial statement audit. Information related to these audits, including the auditors' reports on the internal control structure; the City's compliance with specific provisions of laws, regulations, contracts, grant agreements, and other matters; and the schedules of federal and state financial assistance and the auditors' findings and recommendations are not included in this report, but may be obtained by contacting the City's Finance Department.

Early History of the City

Early settlers were drawn to the area by a series of Republic of Texas land grants offered by investors in 1841. In 1861, Alexander MacRae Dechman, living in Birdville, learned he could trade his wagon and oxen for land in Dallas County. Seizing the opportunity, he purchased 239.5 acres in what is now downtown Grand Prairie.

On January 2, 1863, Dechman officially filed the title for his prairie land with the county and granted right-of-way through the property to the railroad. Although the depression of 1873 temporarily halted railroad construction, settlers continued to arrive in Dechman. A post office was established in 1874, and two years later, Dechman filed a town plat. He gave every other lot to the Texas and Pacific Railroad in exchange for the construction of a depot. The tracks were finally extended through Dechman to Fort Worth, with service beginning on July 19, 1876.

In 1877, the railroad renamed the town Grand Prairie, reflecting its location on the eastern edge of the expansive grand prairie that stretched into West Texas. The little town steadily grew, and on March 20, 1909, 110 citizens voted on incorporation. With 69 votes in favor and 41 against, Grand Prairie was officially established as a city. The City adopted its first Charter in 1948

Today's Profile of the Government

Grand Prairie is located in North Central Texas and spans Dallas, Tarrant, Ellis, and Johnson counties. Covering a land area of 84 square miles, the city has an estimated population of 215,210. It is well-connected through a robust thoroughfare system, including State Highway 161, State Highway 360 (running north-south), and Interstate Highways 20 and 30 (running east-west).

As a Home Rule city, Grand Prairie operates under a Council/Manager form of government. The City Council comprises the mayor and eight members, each serving staggered three-year terms. The mayor is elected at-large, along with two at-large council members, while six members represent single-member districts. The Council's responsibilities include enacting local legislation, approving annual budgets, setting city policies, and appointing both the Municipal Court Judge and the City Manager. The City Manager oversees daily operations and ensures policies and procedures are implemented effectively.

Grand Prairie offers its residents a wide range of services, including exceptional police and fire protection. In fact, the City of Grand Prairie was recently named the #1 Safest City in Dallas-Fort Worth by WallentHub.com and has the lowest crime rate in 51 years. Grand Prairie also stands among the top 1% of communities nationwide with an ISO 1 rating for fire protection. For more than a decade, Grand Prairie's emergency medical services division has been recognized with the American Heart Association Gold Plus Award. Additional city services include water and sewer utilities, solid waste management, libraries, and extensive parks and recreation programs. The city's parks system boasts 63 park sites, more than 45 athletic fields, three neighborhood recreation centers, three year-round indoor aquatics facilities, three seasonal outdoor aquatics facilities, two golf courses (27-hole and 18-hole), a special events venue, and a city cemetery.

The city also provides three full-service libraries offering diverse classes, online resources, and cultural programs. Additionally, Grand Prairie is committed to future-focused planning, handling land use development, traffic management, building inspections, and the construction and maintenance of city roads and streets.

Reporting Entity

All activities, organizations, and functions for which the City is financially accountable are included in the City's financial statements. The City's legal entity includes general government activities, enterprise activities, and internal service fund activities. Enterprise activities include water, wastewater, solid waste, stormwater utility services, a City-operated airport, and two golf courses. Internal service activities include fleet and equipment services and risk management. Twenty Public Improvement Districts (one of which has had no activity) and two Tax Increment Financing Districts, none of which are legally separate entities, are included in the City's reporting entity.

Component units are legally separate entities required to be included in the City's reporting entity based on specific criteria outlined in the Codification of Governmental Accounting Standards, Section 2100, Defining the Financial Reporting Entity. Based on the requirements, the following entities are reported as discretely presented component units of the City. Discretely presented component units are reported in a column separate from the primary government within the financial statements.

- The Grand Prairie Sports Facilities Development Corporation owns Lone Star Park, a horse track facility in Grand Prairie.
- Grand Prairie Housing Finance Corporation (GPHFC) issues tax-exempt mortgage revenue bonds to provide affordable housing to low- to moderate-income citizens. The GPHFC owns a Senior Assisted Living facility in a disadvantaged area and two apartment complexes that serve low to moderate-income citizens. In addition, the HFC owns a Learning Center that provides after-school educational and recreational programs for children living in the apartment complexes.
- Grand Prairie Local Government Corporation (GPLGC) was created to promote economic development, including but not limited to the acquisition, development, and re-development of real property within the City.

- Grand Prairie Hotel Development Corporation (GPHDC) was created in 2021 to promote economic development, including but not limited to the acquisition, development, and redevelopment of real property within the City and the lease of City facilities, including a hotel and conference center.
- Public Finance Corporation (GPPFC) was created in 2023 to assist the City in financing, refinancing, or providing public facilities. The Corporation can finance obligations issued or incurred per existing law to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing, and placement in service of public facilities. As of the date of this report, there is no activity in the GPPFC and it is, therefore, not shown in the financial statements.

Although the Grand Prairie Crime Control and Prevention District (District) is considered a legally separate entity, it is included in the City's reporting entity as a blended component unit since the District's Board of Directors are all members of the City Council. The District is reported as a special revenue fund in the general government activities. It accounts for the accumulation and use of quarter-cent sales tax proceeds dedicated to funding the District program.

Major Initiatives

- The city's recent annexation of land in our ETJ, south of US 287 in Ellis and Johnson Counties paves the way for Goodland, a 5,000-acre master-planned community that is transforming our southern boundary. Goodland will feature more than 15,000 homes alongside shops, restaurants, schools, and event venues, ultimately adding approximately 50,000 new residents to our city. One of the nation's largest data center campuses will soon be built in this area. To support the growth, the city is incorporating key infrastructure upgrades, including the new Fire Station 11 on Davis Drive. Additionally, Goodland Parkway opened in 2026, connecting the Goodland community to Grand Prairie via Tollway 360 and US 287.
- Phase 1 construction is underway at Lakesong, a 2,700-acre master-planned community that will bring 5,000 new homes to Grand Prairie. Located near the southern tip of Joe Pool Lake, and set along Highway 287 and Highway 67, Lakesong is designed to blend mixed-use facilities, residential neighborhoods, and natural landscapes that support the city's long-term growth.
- The city is updating its Comprehensive Plan for the area between Pioneer Parkway and Joe Pool Lake. This plan will guide future growth while preserving the city's character, enhancing residents' quality of life, and supporting economic development. As part of the process, the city is hosting a variety of community meetings, surveys, and engagement opportunities to give residents a voice in shaping the future vision for Grand Prairie.

- Master planning efforts will guide improvements to cycling and recreation in Grand Prairie. Community and stakeholder engagement is currently underway to help develop a Bicycle Master Plan to evaluate the existing conditions of all bicycle facilities within the City, identify priority destinations or connections, and determine desired facility types comfortable for all ages and abilities. The Bicycle Master Plan will result in recommendations for an implementation plan that will identify and prioritize projects and funding over the next 20 years.
- The Parks, Arts, and Recreation Department is creating the Grand Vision Plan to guide the future of Grand Prairie's Parks, Arts, and Recreation system over the next decade. This plan evaluates current and future needs, gathers community feedback, and establishes clear priorities for projects and investments.
- Impactful changes will come to Main Street, where construction will begin in winter 2026 and continue through spring 2028. The street will be reduced to two lanes, one eastbound and one westbound, and sidewalks will be widened to create a safer, more walkable environment.
- The first phase of downtown redevelopment is underway as a new performance stage for outdoor concerts and community events is constructed on the green space just south of City Hall. Work is also underway on the former Calvary Church site to clear the way for future development along Main Street, new businesses, public spaces, or potential mixed-use development.
- The City of Grand Prairie continues to set the standard for efficient construction, planning, and development processes, proving that when cities' speed to market is strong, businesses thrive. By prioritizing a streamlined and responsive permitting system, Grand Prairie ensures that developers and entrepreneurs can move projects from concept to completion without unnecessary delays. In December 2025, the city ranked 2nd among midsize cities, 100,000 to 250,000 residents, in the United States on Labrynth AI's Red Tape Index, a national benchmark that measures permitting efficiency.

Local Economy

The City of Grand Prairie continues to grow in residential, entertainment, aerospace, defense, and other industries, but it will maintain the same tax rate for FY 2025-26, and the homestead exemption remains 17.5%. As the 16th-largest city in Texas, Grand Prairie is celebrating its lowest crime rate in 51 years.

Residential

- MLS reports that the median sales price for homes in Grand Prairie is \$349,745, with the average price per square foot at \$175.49 for the fourth quarter of 2025.
- The City issued 280 New Single-Family construction permits in the first three quarters of 2025.

Commercial

- The city issued approximately 1.3 million square feet of commercial, retail, and industrial permits in 2025.
- Topgolf opened a new venue at SH 161 and Mayfield next to IKEA, bringing 300 new jobs to the city.
- Houk Air Conditioning opened a new 90,000-square-foot headquarters on Oakdale.
- Radici Wood Fired Grill opened in EpicCentral
- Modine expansion will bring 1,000 jobs to the city

Long-Term Financial Planning

The City of Grand Prairie employs a strategic approach to long-term financial planning underpinned by a capital improvement plan. This plan details the development and financing of major capital initiatives and acquisitions, carefully evaluating their implications on the operational budget and tax obligations.

Guiding the City's financial operations are robust financial management policies crafted to ensure sustained fiscal stability and positive economic outcomes. These policies reflect our commitment to integrity, prudent stewardship, meticulous planning, accountability, and transparency. They encompass a wide range of financial activities, including accounting, auditing, financial reporting, internal controls, budgeting for operations and capital, revenue management, cash management, and expenditure control. Moreover, the City upholds investment, debt management, and purchasing policies that instruct the City Council in policymaking and City staff in daily financial operations.

The City Council has also established a three-member Finance and Government Committee to oversee and direct management in matters of budget, audit, internal control, and other critical financial areas.

Thanks to rigorous and effective management aligned with these strong financial policies, the City consistently meets key financial benchmarks and ratios. This includes maintaining adequate fund balances across all funds, adhering to debt coverage ratios, and engaging in prudent investment practices. Such fiscal health underscores the City's resilience against potential economic downturns.

Positive bond ratings further affirm the City's robust financial standing. Standard & Poor's has reaffirmed the City's general obligation bond rating at AAA and the Water/Wastewater Revenue Bonds at AAA.

	S&P	Fitch
General Obligation & Certificates of Obligation Bonds	AAA	AA+
Sales Tax Bonds	AA-	AA+
Park Venue Bonds	AA-	AA+
Water/Wastewater Revenue Bonds	AAA	AAA

Awards and Acknowledgements

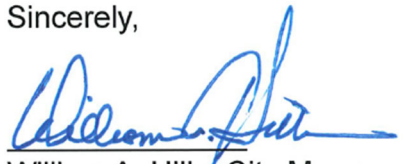
The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grand Prairie for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ending September 30, 2024. This was the 39th consecutive year the City achieved this prestigious award. A government must publish an easily readable and efficiently organized ACFR to be awarded a Certificate of Achievement. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for another certificate.

The timely preparation of this report was made possible by the dedicated services and hard work of the highly qualified staff in the City's Finance Department. Although much time and effort in preparation for this report lies in the Accounting Division, we sincerely appreciate the invaluable support of the Treasury and Budget Division and all city departments.

Special thanks are extended to the Finance and Government Committee council members for their leadership and support of sound fiscal management, and to all members of the City Council for their unfailing support for maintaining the highest standards of professionalism in the control of the City's finances.

Sincerely,



William A. Hills, City Manager



Cheryl DeLeon, Deputy City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

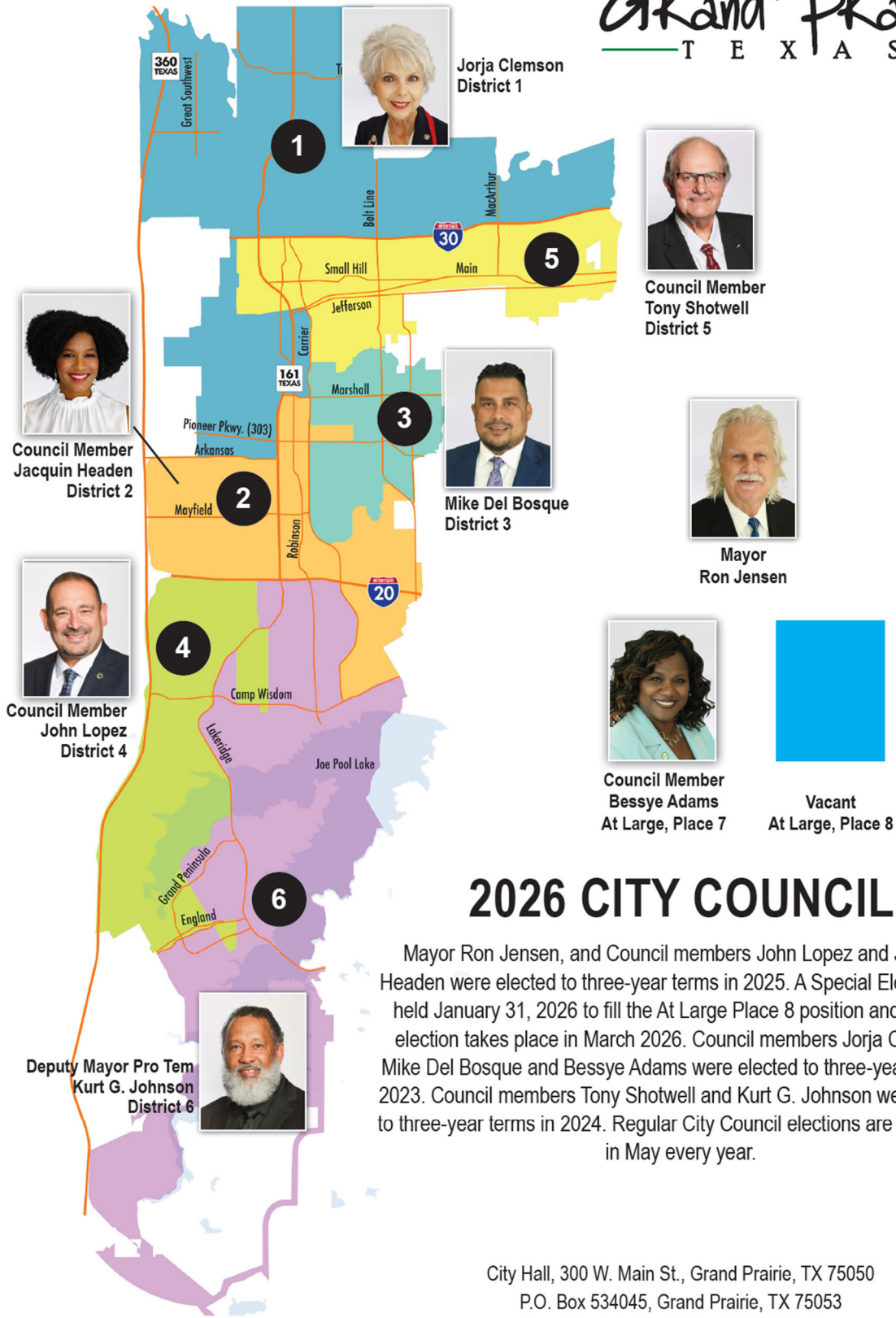
**City of Grand Prairie
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO



2026 CITY COUNCIL

Mayor Ron Jensen, and Council members John Lopez and Jacquin Headen were elected to three-year terms in 2025. A Special Election was held January 31, 2026 to fill the At Large Place 8 position and a runoff election takes place in March 2026. Council members Jorja Clemson, Mike Del Bosque and Bessye Adams were elected to three-year terms in 2023. Council members Tony Shotwell and Kurt G. Johnson were elected to three-year terms in 2024. Regular City Council elections are conducted in May every year.

City Hall, 300 W. Main St., Grand Prairie, TX 75050

P.O. Box 534045, Grand Prairie, TX 75053

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Updated: February 2026

City of Grand Prairie, Texas

Directory of City Officials

Mayor and City Council

2026 CITY OF GRAND PRAIRIE, TEXAS

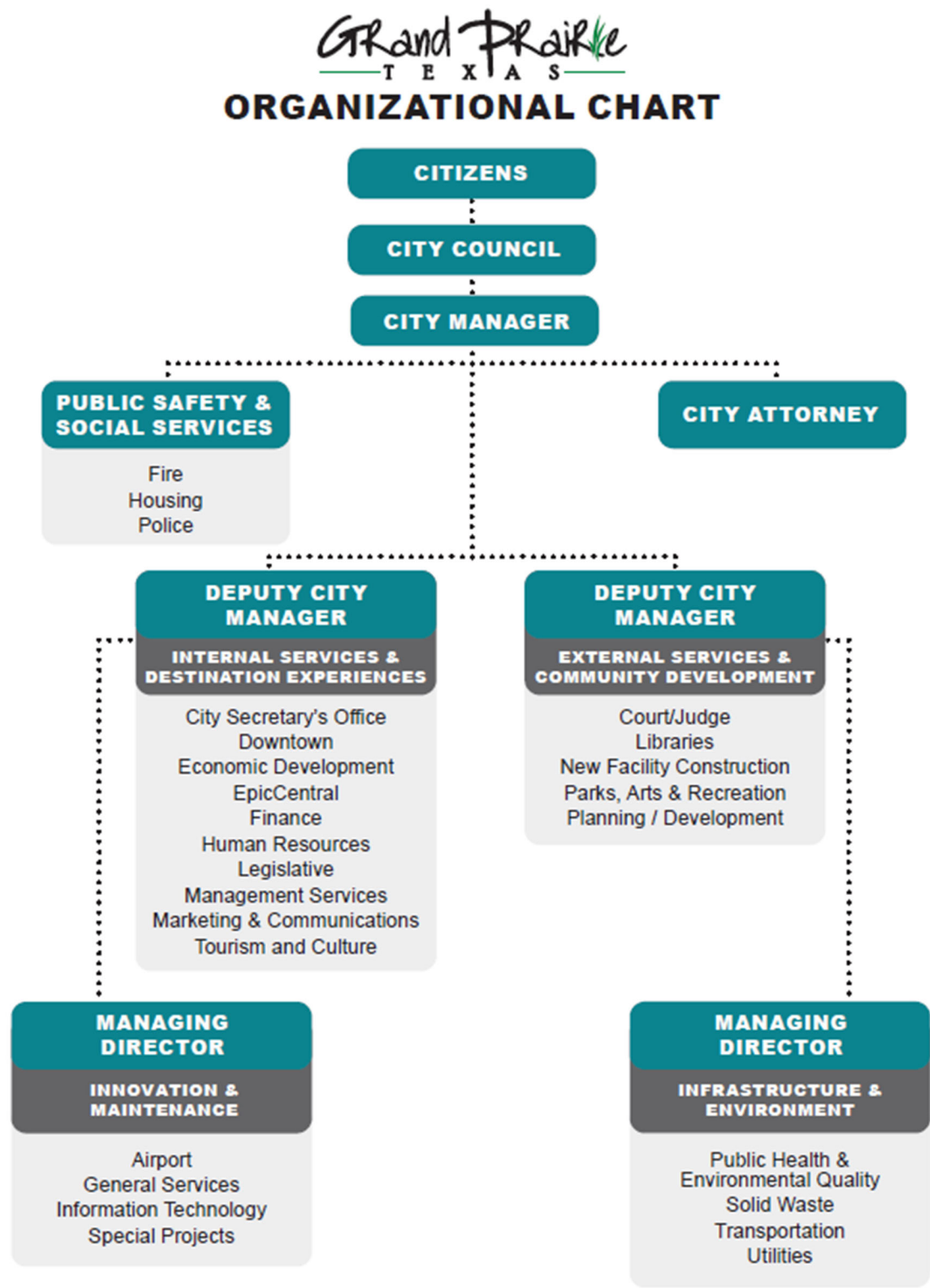
DIRECTORY OF CITY OFFICIALS

MAYOR AND CITY COUNCIL

Ron Jensen	Mayor
Jorja Clemson	District 1
Jacquín Headen	District 2
Mike Del Bosque	District 3
John Lopez	District 4
Tony Shotwell	District 5
Kurt G. Johnson	Deputy Mayor Pro Tem - District 6
Bessye Adams	At Large - Place 7
Vacant	At Large - Place 8

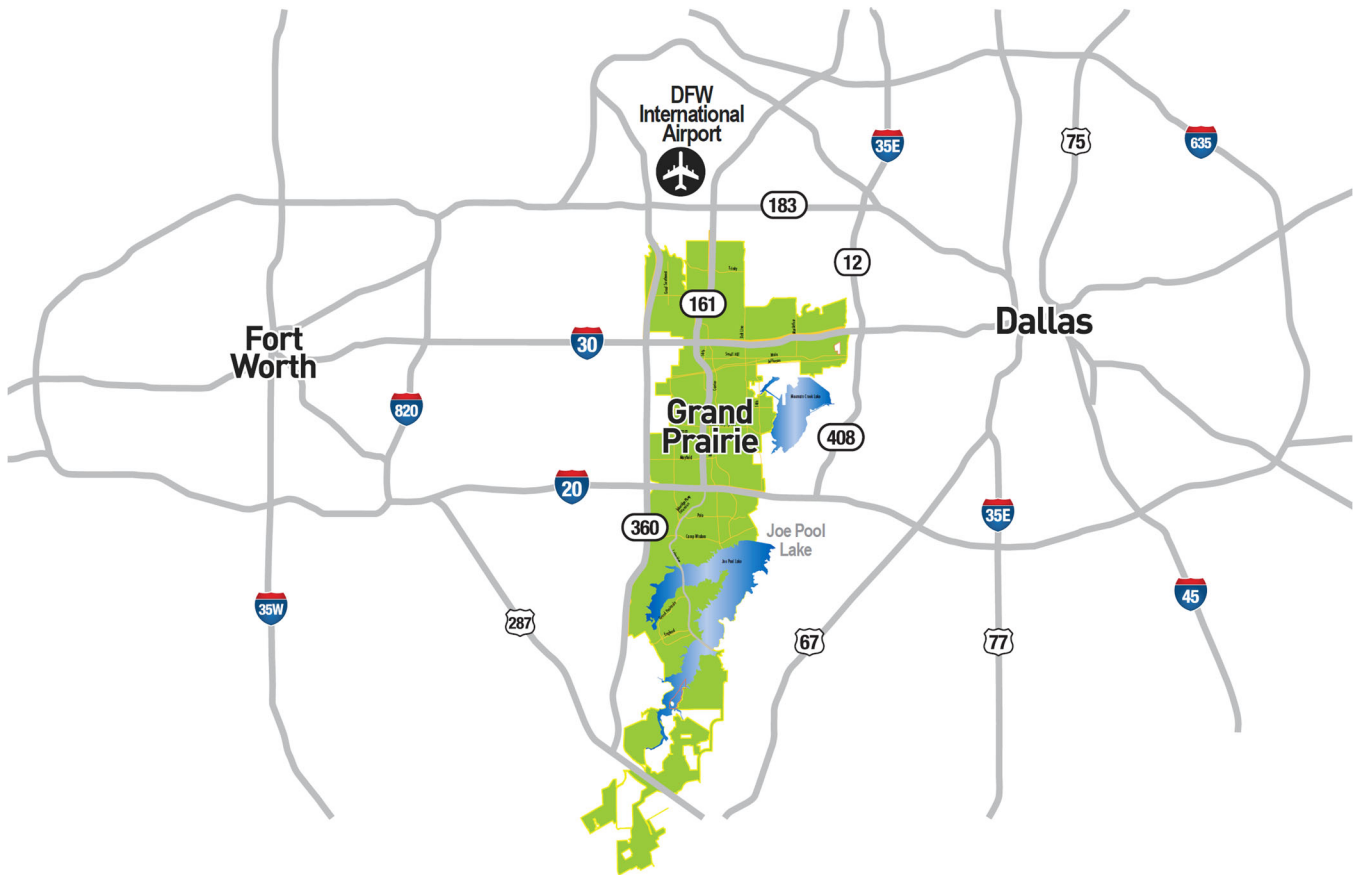
EXECUTIVE MANAGERS

Bill Hills	City Manager
Cheryl DeLeon	Deputy City Manager
Megan Mahan	Deputy City Manager
Lisa Norris	Managing Director
Walter Shumac	Managing Director
Mark Divita	Airport Director
Thao Vo	Management Services Director
Maleshia McGinnis	City Attorney
Mona Lisa Galicia	City Secretary
Claudia Garibay	Communications and Marketing Director
Peter Sime	Library Director
Steven Cherry	Court Services Director
Bryan Arnold	Municipal Court Judge
Tony Ramirez	Economic Development Director
Susan Sanders	Finance Director
Robert Fite	Fire Chief
Esther Coleman	Housing & Neighborhood Services Director
Tasha Camacho	Human Resources Director
Jayson Ramirez	General Services Director
Keshnel Penny	Information Technology Director
Ray Cerda	Parks, Arts & Recreation Director
Rashad Jackson	Planning and Development Director
Daniel Scesney	Police Chief
Cindy Mendez	Public Health and Environmental Quality Director
Patricia Redfearn	Solid Waste/Landfill/Recycling Director
Noreen Housewright	Engineering/Utility Services Director
Andy Henning	Municipal Facilities Design and Construction Director
Caryl DeVries	Transportation & Mobility Services Director



City of Grand Prairie, Texas

Map



Financial Section



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Independent Auditor's Report

The Honorable Mayor and Members of the City Council
The City of Grand Prairie, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Grand Prairie, Texas (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the component unit financial statements of the Grand Prairie Housing Finance Corporation (a discretely presented component unit). Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for such an entity, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, budgetary comparison information, pension and other post-employment benefits information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, such as the combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
March 3, 2026



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Management's Discussion and Analysis



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City of Grand Prairie, Texas

Management's Discussion and Analysis For the Fiscal Year Ended September 30, 2025 (Unaudited)

Management's discussion and analysis provides a narrative overview of the financial activities and changes in the financial position of the City of Grand Prairie, Texas (the City) for the fiscal year ending September 30, 2025. It is offered here by the management of the City to the readers of its financial statements. Readers are encouraged to consider the information presented here in conjunction with the information furnished in our letter of transmittal, the introductory section of the City's financial statement, and the accompanying notes.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at September 30, 2025, by \$1,028,872,013 (net position).
- The City's total net position increased \$80,101,641, for the fiscal year ended September 30, 2025, primarily due to an increase in property taxes and charges for services revenues.
- At September 30, 2025, the City's governmental funds reported combined ending fund balances of \$409,917,419. The \$77,021,989 unassigned fund balance in the General Fund represents 40.8% of total General Fund expenditures and transfers.
- The City's total long-term liabilities of \$848,924,667 increased by \$73,265,773 (9.4%) during the current fiscal year. In fiscal year 2025, net bonded debt increased by \$65,727,602, with the remaining liability comprised primarily of pension and employee-related obligations. See Table 4 in this report, for further information regarding the City's long-term liabilities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The reporting focus is on the City as a whole and on individual major funds. It is intended to present a more comprehensive view of the City's financial activities.

The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide financial statements – The government-wide financial statements include the Statement of Net Position and Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private-sector business. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, including capital assets and long-term liabilities, and deferred inflows of resources. The differences between these items are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other indicators of the city's financial position should be taken into consideration, such as the change in the City's property tax base and the condition of the City's infrastructure (i.e., roads, drainage systems, water and sewer lines, etc.), more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. It focuses on both the gross and net costs of the government's various activities and thus summarizes the cost of providing specific government services. This statement includes all current-year revenues and expenses.

City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued
For the Fiscal Year Ended September 30, 2025
(Unaudited)

The Statement of Net Position and Statement of Activities divide the City's activities into two types:

Governmental Activities – Most of the City's basic services are reported here, including general government, public safety, planning, public works, transportation, housing, community development, cultural events, and the library. Property taxes, sales taxes, and franchise fees provide the majority of financing for these activities.

Business-Type Activities – Activities for which the City charges a fee to customers to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include a water and wastewater system, a solid waste sanitary landfill, a storm water utility system, a municipal airport, and municipal golf courses.

The government-wide financial statements include not only the City itself (known as the primary government), but also the Grand Prairie Sports Facilities Development Corporation, Inc. (the Sports Corporation), Grand Prairie Housing Finance Corporation (HFC), Grand Prairie Hotel Development Corporation (HDC), and Grand Prairie Local Government Corporation (LGC) as component units. All are legally, financially, and administratively autonomous separate corporations. HFC issues tax-exempt revenue bonds to supply mortgage financing for low-income home buyers and multi-family developments and engages in other affordable housing activities. The Sports Corporation oversees Lone Star Park at Grand Prairie, a horse track facility. The LGC's operations are to acquire, develop, or redevelop real property within the City. HDC promotes economic development, the acquisition, development, and redevelopment of real property within the City, the construction, operation, and/or lease of City facilities.

The Crime Control and Prevention District (CCPD) is a legally separate entity that is financially accountable to the City. A blended presentation has been used to report the financial information of this component unit. The CCPD is reported as the Crime Sales Tax Fund.

Fund financial statements – The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. These statements focus on the most significant funds and may be used to find more detailed information about the City's most significant activities. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for the majority of the City's activities, which are essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of the governmental funds' financial statements is narrower than that of the government-wide financial statements. Therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison. These reconciliations explain the differences between the government's activities as reported in the government-wide statements and the information presented in the governmental funds financial statements.

City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued
For the Fiscal Year Ended September 30, 2025
(Unaudited)

The City reports thirty-one individual governmental funds. Information is presented separately in the governmental fund's Balance Sheet and in the governmental fund's Statement of Revenues, Expenditures and Changes in Fund Balances for the City's six major funds - General Fund, Section 8 Fund, Streets CIP Fund, Grants Fund, Debt Service Fund, and the TIF #1 Epic CIP Fund. Data for other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds – The City maintains two different types of proprietary funds – enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities of the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater system, solid waste sanitary landfill, storm water utility, municipal airport, and municipal golf courses. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City has five enterprise funds, of which two are major enterprise funds – the Water Wastewater Fund and the Solid Waste Fund. Data from other nonmajor enterprise funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for vehicle and equipment maintenance and the premiums, deductibles, and claims for all insurance programs (e.g., employee health, workers' compensation, general liability, etc.). Because these services benefit both governmental and business-type functions, they have been allocated to both activities in the government-wide financial statements in proportion to services received. The City's two internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the City's internal service funds is provided in the form of combining statements elsewhere in this report.

Notes to the financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the required supplementary information.

City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued
For the Fiscal Year Ended September 30, 2025
(Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets of the City on September 30, 2025, were \$1,919,761,483, deferred outflows of resources were \$54,248,747, total liabilities were \$910,147,985, and deferred inflows of resources were \$34,990,232 resulting in a net position of \$1,028,872,013.

The largest portion of the City's net position, \$611,371,339 (59.4%), reflects its investment in capital assets (land, buildings and improvements, infrastructure, vehicles, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1 below is a summary of the City's net position at year-end compared to the prior year.

Table 1
Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2024	9/30/2025	9/30/2024	9/30/2025	9/30/2024	9/30/2025
Cash and investments	\$ 390,691,557	\$ 439,980,450	\$ 169,670,200	\$ 201,500,592	\$ 560,361,757	\$ 641,481,042
Other assets	38,959,374	40,971,893	20,010,089	24,566,509	58,969,463	65,538,402
Capital assets, net	<u>848,571,715</u>	<u>882,092,964</u>	<u>292,395,942</u>	<u>330,649,075</u>	<u>1,140,967,657</u>	<u>1,212,742,039</u>
Total assets	1,278,222,646	1,363,045,307	482,076,231	556,716,176	1,760,298,877	1,919,761,483
Deferred outflows of resources	48,581,449	49,457,821	4,906,308	4,790,926	53,487,757	54,248,747
Current liabilities	46,874,696	39,475,952	20,026,344	21,747,366	66,901,040	61,223,318
Long-term bonded debt	603,280,319	644,494,448	38,584,960	63,098,433	641,865,279	707,592,881
Other noncurrent liabilities	<u>113,355,751</u>	<u>117,881,774</u>	<u>20,437,864</u>	<u>23,450,012</u>	<u>133,793,615</u>	<u>141,331,786</u>
Total liabilities	763,510,766	801,852,174	79,049,168	108,295,811	842,559,934	910,147,985
Deferred inflows of resources	20,613,005	32,065,678	1,843,323	2,924,554	22,456,328	34,990,232
Net Position						
Net Investment in capital assets	314,515,375	336,608,706	252,357,719	274,762,633	566,873,094	611,371,339
Restricted	158,436,134	161,292,398	70,606,350	69,754,334	229,042,484	231,046,732
Unrestricted	<u>69,728,815</u>	<u>80,684,172</u>	<u>83,125,979</u>	<u>105,769,770</u>	<u>152,854,794</u>	<u>186,453,942</u>
Total net position	<u>\$ 542,680,324</u>	<u>\$ 578,585,276</u>	<u>\$ 406,090,048</u>	<u>\$ 450,286,737</u>	<u>\$ 948,770,372</u>	<u>\$ 1,028,872,013</u>

A portion of the City's net position, totaling \$231,046,732, or 22.5%, represents resources that are subject to external restrictions on how they may be used.

The City's net position increased by \$80,101,641 from the prior fiscal year due to an increase in charges for services and property tax revenues.

City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued For the Fiscal Year Ended September 30, 2025 (Unaudited)

The fiscal year 2025, compared to fiscal 2024 changes in the City's net position were as follows:

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2024	9/30/2025	9/30/2024	9/30/2025	9/30/2024	9/30/2025
Revenues:						
Program revenues:						
Charges for services	\$ 62,981,998	\$ 76,838,674	\$ 148,674,632	\$ 159,938,004	\$ 211,656,630	\$ 236,776,678
Operating grants and contributions	62,005,076	68,024,808	-	-	62,005,076	68,024,808
Capital grants and contributions	13,072,948	11,140,350	15,787,217	23,903,174	28,860,165	35,043,524
General revenues:						
Property tax	155,796,752	163,815,374	-	-	155,796,752	163,815,374
Sales tax	98,140,124	99,057,622	-	-	98,140,124	99,057,622
Other tax	4,588,224	7,260,419	-	-	4,588,224	7,260,419
Franchise fees	15,749,721	15,958,788	-	-	15,749,721	15,958,788
Investment income	30,925,253	8,663,229	169,580	147,889	31,094,833	8,811,118
Gain on disposal of assets	-	1,762,131	-	-	-	1,762,131
Miscellaneous	-	-	233,439	114,219	233,439	114,219
Total revenues	443,260,096	452,521,395	164,864,868	184,103,286	608,124,964	636,624,681
Expenses:						
Support services	43,931,965	51,371,938	-	-	43,931,965	51,371,938
Public safety services	121,154,824	144,351,640	-	-	121,154,824	144,351,640
Recreation and leisure services	48,149,627	56,541,791	-	-	48,149,627	56,541,791
Development services	135,874,006	153,437,626	-	-	135,874,006	153,437,626
Interest on long-term debt	19,307,505	16,908,636	-	-	19,307,505	16,908,636
Water and wastewater	-	-	92,139,434	101,196,898	92,139,434	101,196,898
Solid waste	-	-	17,786,695	19,638,991	17,786,695	19,638,991
Municipal airport	-	-	3,530,669	3,516,813	3,530,669	3,516,813
Municipal golf course	-	-	3,323,809	4,562,236	3,323,809	4,562,236
Storm water	-	-	3,490,248	4,996,471	3,490,248	4,996,471
Total expenses	368,417,927	422,611,631	120,270,855	133,911,409	488,688,782	556,523,040
Increases (decreases) in net position before transfers	74,842,169	29,909,764	44,594,013	50,191,877	119,436,182	80,101,641
Transfers	6,062,482	5,995,188	(6,062,482)	(5,995,188)	-	-
Change in net position	80,904,651	35,904,952	38,531,531	44,196,689	119,436,182	80,101,641
Net position - beginning of year	461,775,673	542,680,324	367,558,517	406,090,048	829,334,190	948,770,372
Net position - end of year	\$ 542,680,324	\$ 578,585,276	\$ 406,090,048	\$ 450,286,737	\$ 948,770,372	\$ 1,028,872,013

Governmental activities – Governmental activities increased the City's net position by \$35,904,952 in comparison with the beginning net position, primarily due to an increase in revenues from property taxes, charges for services, and operating grants and contributions received. Net position of governmental operations accounts for 56.2% of the total net position.

Business-type activities – Business-type activities increased the City's net position by \$44,196,689 in comparison with the beginning net position due to an increase in overall program revenues. Net position for business-type activities represents 43.8% of the total primary government net position.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At fiscal year-end 2025, the City's governmental funds (excluding internal service funds) reported combined ending fund balances of \$409,917,419, an increase of \$57,532,523 in comparison with the prior year. The unassigned fund balance portion is \$76,376,595 or 18.6% and is available for spending at the government's discretion. The remainder is restricted for specific purposes and is not available for new spending. Specific purposes include non-spendable inventories and prepaid items (\$3,516,925); amounts restricted by bond covenants or granting agencies (\$231,925,605), either for debt service payments, grant-related use, special taxing districts, or for capital projects. In addition, committed funds (\$64,011,674) require formal action by the City Council. Finally, funds may be assigned (\$2,062,553) by the City Manager with the City Council's delegated authority. Figures 1 and 2 that follow show the distribution of governmental funds' sources of revenues and expenditures, \$443,221,596 and \$484,959,190, respectively, for the fiscal year 2025.

Figure 1
Revenue Sources
Governmental Funds

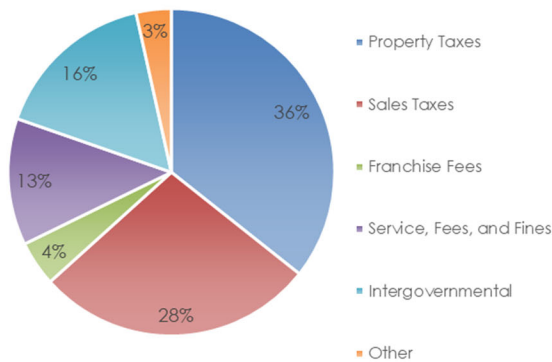
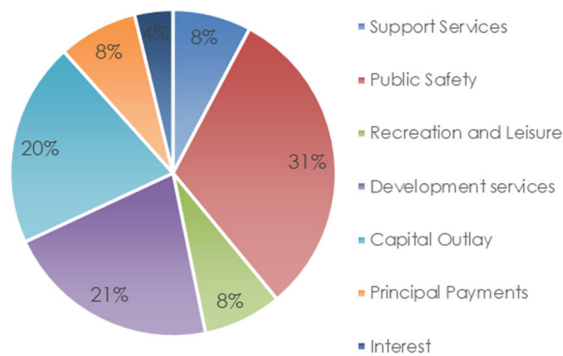


Figure 2
Expenditures
Governmental Funds



The General Fund is the chief operating fund of the City. At fiscal year-end, the unassigned fund balance of the General Fund was \$77,021,989, while the total fund balance was \$80,012,446. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to total fund expenditures. Unassigned fund balance represents 43.0% of the total general fund operating expenditures, while the total fund balance represents 44.6% of that same amount. General Fund's fund balance increased in the amount of \$3,878,264 from the prior fiscal year. Interest and investment losses were offset by a reduction in overall expenditures and transfers out to other funds compared to last year.

Other major funds with significant changes in fund balance include Section 8, Streets CIP, Grants, Debt Service and TIF #1 Epic CIP.

City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued
For the Fiscal Year Ended September 30, 2025
(Unaudited)

The Section 8 Fund increased by \$523,457 due to an increase of an average of 3,594 increase UML for FY 2025 (average of 300), plus adding the PBV (Project Based Vouchers) program.

The Streets CIP Fund increased by \$9,858,628 due to bond issuance in FY 2025 and projects from prior years not completed yet.

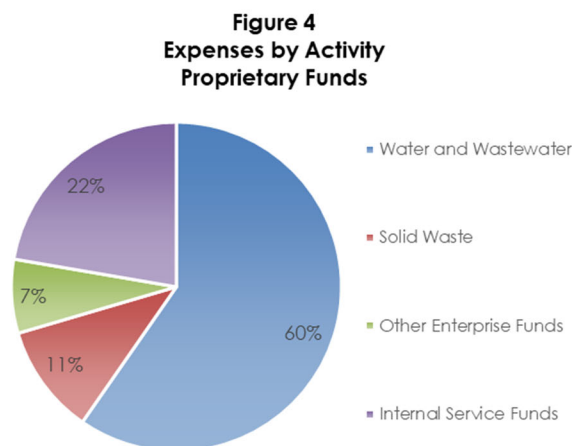
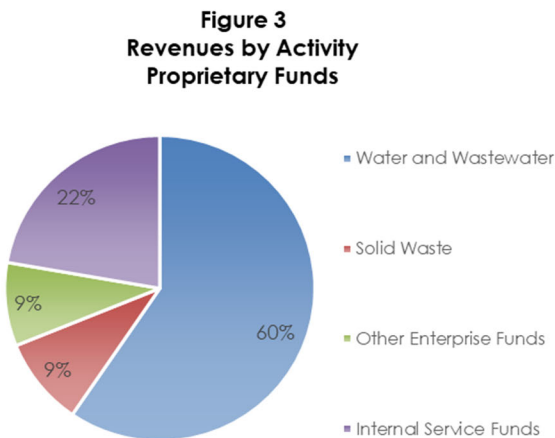
The Grants Fund decreased by \$5,328,639 due to large projects that took place during the fiscal year. \$3,740,733 in expenses has been approved for reimbursement in FY 2026.

The Debt Service Fund increased by \$1,397,286, primarily due to higher property tax collections year over year.

The TIF #1 Epic CIP Fund increased by \$2,670,539 due to transfers in for funding capital projects.

Proprietary funds – The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The net position of the City's enterprise funds and internal service funds were \$446,294,125 and \$26,159,507 respectively, at September 30, 2025. The enterprise funds' net investment in capital assets represented 61.6% of the total enterprise fund's net position. The internal service funds' net investment in capital assets represented 4.9% of the total internal service funds' net position. The enterprise funds' unrestricted net position was 23.7% of their total net position, and, internal service funds' unrestricted net position was 95.1% of their total funds' net position. The City's enterprise funds and the internal service funds reported income before contributions and transfers of \$26,598,565 and (\$559,753), respectively. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the government-wide financial statements and business-type activities. The following Figures 3 and 4 show the proprietary funds' revenues of \$193,636,150 and expenses of \$174,814,702 (excluding non-operating revenues and expenses, and contributions and transfers) by activity.



City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued
For the Fiscal Year Ended September 30, 2025
(Unaudited)

General Fund Budgetary Highlights

Actual General Fund revenues were (\$4,297,903), or 2.2%, lower than final budgeted revenues for fiscal year 2025. Property taxes, sales taxes, and franchise fees were 83.3% of General Fund budgeted revenues. Actual General Fund expenditures were \$7,848,954, or 4.2%, lower than final budgeted expenditures for fiscal year 2025. Budgeted excess of revenues over expenditures before other financing sources and uses was (\$8,391,914) compared to the actual (\$6,937,438), resulting in a net positive budget variance of \$1,454,476. The City traditionally budgets revenue conservatively, and this practice frequently results in positive budgetary variances.

The net change in fund balances of the General Fund, including other financing sources and uses, such as transfers resulted in a net positive budget variance of \$5,005,527.

Capital Asset and Debt Administration

Capital Assets – The City's investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities at fiscal year-end amounted to \$1,212,742,039. This investment includes land, buildings, improvements other than buildings (including infrastructure), machinery and equipment, and construction in progress. The City's capital assets increased from the prior year by \$71,774,382.

Major capital projects occurring during the fiscal year included the following:

- Goodland Rd - Provident
- ERP Software Replacement
- Main Library Improvements
- Mobile Libraries
- Facilities Service Center
- Friendship Park
- Day Miar – Ragland to PW
- Lakeview Elevated Storage Tank

The City's capital assets, net of accumulated depreciation, at fiscal year-end, were as follows:

Table 3
Capital Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2024	9/30/2025	9/30/2024	9/30/2025	9/30/2024	9/30/2025
Land	\$ 70,008,383	\$ 70,177,208	\$ 10,516,096	\$ 10,635,727	\$ 80,524,479	\$ 80,812,935
Construction in progress	195,288,455	181,986,780	42,779,648	69,008,082	238,068,103	250,994,862
Depreciable/amortized assets	1,303,325,077	1,393,714,114	556,855,039	587,355,335	1,860,180,116	1,981,069,449
Accumulated depreciation/amortization	(720,050,200)	(763,785,138)	(317,754,841)	(336,350,069)	(1,037,805,041)	(1,100,135,207)
Total capital assets, net	\$ 848,571,715	\$ 882,092,964	\$ 292,395,942	\$ 330,649,075	\$ 1,140,967,657	\$ 1,212,742,039

Additional information regarding capital assets can be found in Note 2.D.

City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued
For the Fiscal Year Ended September 30, 2025
(Unaudited)

Long-term debt – At September 30, 2025, the City had the following long-term liabilities:

Table 4
Long-Term Debt

	Governmental Activities		Business-type Activities		Total Primary Government	
	9/30/2024	9/30/2025	9/30/2024	9/30/2025	9/30/2024	9/30/2025
Bonded debt	\$ 603,280,319	\$ 644,494,448	\$ 38,584,960	\$ 63,098,433	\$ 641,865,279	\$ 707,592,881
Compensated absences	25,530,310	34,508,379	667,187	2,631,894	26,197,497	37,140,273
Other post employment benefits	58,256,817	67,484,916	6,329,455	7,232,661	64,586,272	74,717,577
Net pension liability	20,630,646	7,441,791	2,241,468	797,570	22,872,114	8,239,361
Lease liabilities	3,692,881	3,856,378	8,287	1,012,033	3,701,168	4,868,411
SBITA liabilities	2,579,820	1,725,282	-	27,798	2,579,820	1,753,080
Pollution liability	715,237	1,792,706	-	-	715,237	1,792,706
Closure and post closure liability	-	-	11,191,467	11,748,056	11,191,467	11,748,056
Other liabilities	1,950,040	1,072,322	-	-	1,950,040	1,072,322
Total long-term debt	\$ 716,636,070	\$ 762,376,222	\$ 59,022,824	\$ 86,548,445	\$ 775,658,894	\$ 848,924,667
Long-term debt to net position percentage	132%	132%	15%	19%	82%	83%

Of the City's total bonded debt outstanding, \$537,866,000 (approximately 76%) is supported by the full faith and credit of the City and is secured by an ad valorem property tax pledge for debt service (I&S).

In November 2024, the City reissued the General Obligation Refunding Bonds, Series 2022C, to convert them from taxable to tax-exempt status. This action reduced the all-in interest cost and effectively lowered the interest rate from approximately 2.04% to 1.60%, generating estimated borrowing cost savings of approximately \$446,000 over the remaining term to maturity.

In February 2025, the City issued \$43,475,000 of Combination Tax and Revenue Certificates of Obligation, Series 2025. Proceeds were used to finance capital improvements across multiple service areas, including street and thoroughfare improvements; public safety facility improvements (including a new emergency operations center); parks and recreation equipment and facilities; acquisition of vehicles and equipment; acquisition and installation of technology equipment, and enterprise financial and human resources software; and other municipal facility improvements such as HVAC repair and replacement, roof replacement, generators, lighting, landscaping, signage, and electric vehicle charging infrastructure.

In September 2025, the City issued \$38,105,000 of Combination Tax and Revenue Certificates of Obligation, Series 2025A, to support the FY 2025-2026 Capital Improvement Program. Proceeds were used to finance street and thoroughfare improvements (including Goodland Parkway and Miller Road); technology and software improvements, including a portion of Phase 2 of the Enterprise Resource Planning (ERP) replacement; public safety communications and recording system improvements; and fleet and equipment needs, including a fire engine replacement.

During fiscal year 2025, the City retired \$50,165,000 of principal on outstanding bonded debt. Total interest expense related to bonded debt for the year was \$20,296,958. Additional information regarding the City's long-term liabilities and debt service requirements are presented in Note 2.H to the Basic Financial Statements.

City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued
For the Fiscal Year Ended September 30, 2025
(Unaudited)

Credit ratings

During the City's recent bond issuance activity for Certificates of Obligation and General Obligation Bonds and Water/Wastewater Revenue Bonds, Standard and Poor's reviewed the City's credit profile and reaffirmed its AAA rating. The City's current ratings are summarized below:

	<u>Fitch</u>	<u>Standard & Poor's</u>
General obligation bonds	AA+	AAA
Sales tax revenue bonds (taxable)	AA+	AA-
Sales tax revenue bonds (tax-exempt)	AA+	AA-
Water and wastewater revenue bonds	AAA	AAA

Economic Factors and Next Year's Budget and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2026 budget, including tax rates and fees that will be charged for business-type activities. Building and development growth has stayed stable. Although the City is largely built out and mature, there are still several areas available, mainly in the south sector, with higher-end residential areas along Joe Pool Lake. In addition, there is a leveling of multi-family developments, but a major increase in retail construction, in large part due to toll road 161 and emerging destination facilities, such as Epic and Epic Waters.

The City population grew by 2.9% to 215,210 as of September 2025. Residential expansions continue in the South and new manufacturing and distribution companies continue to add growth to the City's economy. Even more growth is expected as a result of continued development and mobility through the City. Roadway improvements, like widening of Camp Wisdom, Great Southwest Parkway, and I-30 frontage roads from SH 161 to McArthur continue to make additional demands on the City for increased services. Our diverse economy, the overall DFW metroplex economy, and major transportation access all serve to create a synergy.

The following indicators were taken into account when adopting the budget for fiscal year 2026:

- 7.38% increase in assessed property values;
- A financial management policy, which caps budgeted recurring general fund expenditures from sales tax at 26% total revenues.

Property tax revenues decreased by over \$4.3 million, with an increase of revenue to the General Funds of \$2.7 million and a decrease of \$7.0 million for the Debt Service Fund. The approved property tax rate remained unchanged from \$0.66. Other budgeted revenue sources include an increase in the TIF Reimbursement, and minor increases to both franchise fees and charges for goods and services.

Budgeted sales tax across all funds is \$97,805,714, which is the same as the prior year based on projections.

The City's total approved budget for FY 2025-2026 is \$534,013,848, an increase from the prior year's budget. The General Fund approved budget is \$205,090,649. The majority of this increase is related to an increase in personnel services.

City of Grand Prairie, Texas

Management's Discussion and Analysis – Continued
For the Fiscal Year Ended September 30, 2025
(Unaudited)

The City's approved appropriations for capital projects in fiscal year 2026 total \$113,391,071. Planned capital projects include:

- \$48,590,152 in water projects and wastewater projects.
- \$10,270,000 in streets and signals projects
- \$17,311,000 in capital reserve projects
- \$4,078,000 in information technology projects

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Controller, City of Grand Prairie, Texas, 300 W. Main Street, P.O. Box 534045, Grand Prairie, Texas, 75053-4045.



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Basic Financial Statements



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City of Grand Prairie, Texas

Statement of Net Position

September 30, 2025

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash, cash equivalents and investments	\$ 152,703,775	\$ 193,987,556	\$ 346,691,331	\$ 18,364,912
Receivables, net	33,654,082	19,332,687	52,986,769	1,637,266
Intergovernmental receivables	624,673	-	624,673	-
Lease receivables	7,000,632	168,684	7,169,316	3,330,528
Inventories and supplies	981,914	1,072,526	2,054,440	-
Prepays	2,703,204	-	2,703,204	459,542
Restricted assets:				
Cash, cash equivalents and investments	287,276,675	7,513,036	294,789,711	1,039,174
Internal balances	(3,992,612)	3,992,612	-	-
Estimated unguaranteed residual value	-	-	-	7,443,374
Capital assets:				
Assets not being depreciated/amortized	252,163,988	79,643,809	331,807,797	18,844,204
Assets being depreciated/amortized, net	629,928,976	251,005,266	880,934,242	7,882,960
Total assets	1,363,045,307	556,716,176	1,919,761,483	59,001,960
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refundings	7,720,820	317,783	8,038,603	-
Related to OPEB	10,328,541	1,106,958	11,435,499	-
Related to TMRS pension	31,408,460	3,366,185	34,774,645	-
Total deferred outflows of resources	49,457,821	4,790,926	54,248,747	-
LIABILITIES				
Accounts payable	18,491,227	9,988,454	28,479,681	1,468,207
Retainage payable	802,432	1,605,961	2,408,393	-
Accrued liabilities	12,232,845	1,505,971	13,738,816	126,953
Unearned revenue	4,027,981	701,022	4,729,003	-
Current liabilities payable from restricted assets:				
Accrued interest	3,878,467	432,922	4,311,389	-
Customer deposits	43,000	7,513,036	7,556,036	94,600
Noncurrent liabilities:				
Due within one year:				
Compensated absences	12,140,576	1,139,761	13,280,337	-
Environmental remediation obligation	1,792,706	-	1,792,706	-
Other liabilities	678,882	-	678,882	-
Current portion of long-term debt	42,637,067	5,442,326	48,079,393	78,069
Due in more than one year:				
Compensated absences	22,367,803	1,492,133	23,859,936	-
Other postemployment benefits	67,484,916	7,232,661	74,717,577	-
Closure and postclosure liability	-	11,748,056	11,748,056	-
Net pension liability	7,441,791	797,570	8,239,361	-
Other liabilities	393,440	-	393,440	-
Long-term debt	607,439,041	58,695,938	666,134,979	3,632,160
Total liabilities	801,852,174	108,295,811	910,147,985	5,399,989
DEFERRED INFLOWS OF RESOURCES				
Related to leases	6,663,647	202,103	6,865,750	386,060
Related to OPEB	12,257,469	1,313,689	13,571,158	-
Related to TMRS pension	13,144,562	1,408,762	14,553,324	-
Total deferred inflows of resources	32,065,678	2,924,554	34,990,232	386,060
NET POSITION				
Net investment in capital assets	336,608,706	274,762,633	611,371,339	23,016,935
Restricted for:				
Debt service	619,389	4,170,857	4,790,246	-
Capital projects	48,378,401	65,583,477	113,961,878	-
Support Services	3,035,737	-	3,035,737	-
Public safety	12,401,745	-	12,401,745	-
Recreation and leisure	44,529,471	-	44,529,471	-
Development services	51,923,407	-	51,923,407	-
Other specific purposes	404,248	-	404,248	-
Facility lease	-	-	-	10,773,902
Unrestricted	80,684,172	105,769,770	186,453,942	19,425,074
Total net position	\$ 578,585,276	\$ 450,286,737	\$ 1,028,872,013	\$ 53,215,911

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Grand Prairie, Texas
Statement of Activities
For the Year Ended September 30, 2025

Functions/Activity	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Support services	\$ 51,371,938	\$ 7,110,314	\$ 97,053	\$ -
Public safety services	144,351,640	17,538,927	5,877,223	-
Recreation and leisure services	56,541,791	26,523,708	1,515,978	-
Development services and other	153,437,626	25,665,725	60,534,554	11,140,350
Interest on long-term debt	16,908,636	-	-	-
Total governmental activities	422,611,631	76,838,674	68,024,808	11,140,350
Business-type activities:				
Water and wastewater	101,196,898	124,853,612	-	18,197,746
Solid waste	19,638,991	19,400,817	-	60,414
Municipal airport	3,516,813	2,909,747	-	-
Municipal golf course	4,562,236	4,350,899	-	-
Storm water	4,996,471	8,422,929	-	5,645,014
Total business-type activities	133,911,409	159,938,004	-	23,903,174
Total primary government	\$ 556,523,040	\$ 236,776,678	\$ 68,024,808	\$ 35,043,524
Component units:				
Grand Prairie Sports Facilities Development	\$ 7,258,146	\$ 522,450	\$ -	\$ 506,731
Grand Prairie Housing Finance Corporation	5,296,020	6,344,712	-	2,000
Grand Prairie Hotel Development Corporation	14,589,153	14,940,950	-	-
Grand Prairie Local Government Corporation	36,469	-	-	-
Total component units	\$ 27,179,788	\$ 21,808,112	\$ -	\$ 508,731
General revenues:				
Taxes				
Property taxes				
Sales taxes				
Hotel/motel and other taxes				
Franchise fees (and those based on gross receipts)				
Investment income (losses)				
Gain on disposal of capital assets				
Miscellaneous revenue				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning of year				
Net position - end of year				

The Notes to the Basic Financial Statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Position
Primary Government**

Governmental Activities	Business-Type Activities	Total	Component Units
\$ (44,164,571)	\$ -	\$ (44,164,571)	\$ -
(120,935,490)	-	(120,935,490)	-
(28,502,105)	-	(28,502,105)	-
(56,096,997)	-	(56,096,997)	-
(16,908,636)	-	(16,908,636)	-
(266,607,799)	-	(266,607,799)	-
-	41,854,460	41,854,460	-
-	(177,760)	(177,760)	-
-	(607,066)	(607,066)	-
-	(211,337)	(211,337)	-
-	9,071,472	9,071,472	-
-	49,929,769	49,929,769	-
\$ (266,607,799)	\$ 49,929,769	\$ (216,678,030)	\$ -
\$ -	\$ -	\$ -	\$ (6,228,965)
-	-	-	1,050,692
-	-	-	351,797
-	-	-	(36,469)
\$ -	\$ -	\$ -	\$ (4,862,945)
\$ 163,815,374	\$ -	\$ 163,815,374	\$ -
99,057,622	-	99,057,622	-
7,260,419	-	7,260,419	-
15,958,788	-	15,958,788	-
8,663,229	147,889	8,811,118	477,094
1,762,131	-	1,762,131	-
-	114,219	114,219	68
5,995,188	(5,995,188)	-	-
302,512,751	(5,733,080)	296,779,671	477,162
35,904,952	44,196,689	80,101,641	(4,385,783)
542,680,324	406,090,048	948,770,372	57,601,694
\$ 578,585,276	\$ 450,286,737	\$ 1,028,872,013	\$ 53,215,911

City of Grand Prairie, Texas

Balance Sheet

Governmental Funds

September 30, 2025

	General	Section 8	Streets CIP
ASSETS			
Cash, cash equivalents and investments	\$ 74,647,251	\$ 3,086,343	\$ 47,982,272
Property tax receivable, net	3,051,405	-	-
Sales tax receivable	8,509,930	-	-
Franchise fees receivable	2,255,594	-	-
Lease receivables	2,677,226	-	-
Other receivables, net	6,040,535	82,450	-
Intergovernmental receivables	602,494	-	-
Inventory	789,369	-	-
Prepays	138,535	-	-
Total assets	<u>\$ 98,712,339</u>	<u>\$ 3,168,793</u>	<u>\$ 47,982,272</u>
LIABILITIES			
Accounts payable	5,909,898	46,853	2,061,040
Retainage payable	-	-	220,128
Accrued liabilities	5,073,035	86,203	-
Customer deposits	-	-	-
Unearned revenue	296,276	-	-
Total liabilities	11,279,209	133,056	2,281,168
DEFERRED INFLOWS OF RESOURCES			
Related to leases	2,504,239	-	-
Unavailable revenue	4,916,445	-	-
Total deferred inflows of resources	7,420,684	-	-
FUND BALANCES			
Nonspendable	927,904	-	-
Restricted	-	3,035,737	45,701,104
Committed	-	-	-
Assigned	2,062,553	-	-
Unassigned	77,021,989	-	-
Total fund balances	<u>80,012,446</u>	<u>3,035,737</u>	<u>45,701,104</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 98,712,339</u>	<u>\$ 3,168,793</u>	<u>\$ 47,982,272</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

Grants	Debt Service	TIF #1 EPIC CIP	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,225,767	\$ 2,885,328	\$ 26,352,114	\$ 250,192,035	\$ 407,371,110
-	1,620,141	-	-	4,671,546
-	-	-	8,484,120	16,994,050
-	-	-	22,276	2,277,870
-	-	-	4,323,406	7,000,632
279,252	-	-	3,307,898	9,710,135
22,179	-	-	-	624,673
-	-	-	24,352	813,721
-	-	-	2,564,669	2,703,204
<u>\$ 2,527,198</u>	<u>\$ 4,505,469</u>	<u>\$ 26,352,114</u>	<u>\$ 268,918,756</u>	<u>\$ 452,166,941</u>
2,361,862	7,613	478,715	7,036,362	17,902,343
377,462	-	-	204,842	802,432
59,289	-	331,823	763,364	6,313,714
-	-	-	43,000	43,000
373,979	-	-	3,357,726	4,027,981
3,172,592	7,613	810,538	11,405,294	29,089,470
-	-	-	4,159,408	6,663,647
-	1,579,960	-	-	6,496,405
-	1,579,960	-	4,159,408	13,160,052
-	-	-	2,589,021	3,516,925
-	2,917,896	25,541,576	186,753,359	263,949,672
-	-	-	64,011,674	64,011,674
-	-	-	-	2,062,553
(645,394)	-	-	-	76,376,595
(645,394)	2,917,896	25,541,576	253,354,054	409,917,419
<u>\$ 2,527,198</u>	<u>\$ 4,505,469</u>	<u>\$ 26,352,114</u>	<u>\$ 268,918,756</u>	<u>\$ 452,166,941</u>

City of Grand Prairie, Texas

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position September 30, 2025

Total fund balance - total governmental funds		\$	409,917,419
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources; and, therefore, are not reported in the funds (excluding internal service funds' capital assets of \$1,269,603).			880,823,361
Certain revenues are not available to pay for current-period expenditures; therefore, these revenues are deferred in the funds.			6,496,405
Certain assets and liabilities do not provide or require the use of current financial resources; therefore, these assets and liabilities are not reported in the governmental funds.			
Accrued interest on long-term debt	\$	(3,878,467)	
Unamortized loss of bond refunding		7,720,820	
Deferred pension and OPEB contributions, and investment and actuarial experience (excluding internal service fund totals of \$271,285).		<u>16,063,685</u>	19,906,038
Internal service funds are used by management to charge the cost of certain activities, such as employee health insurance, risk management insurance, and fleet services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net position (net of amount allocated to business-type activities of \$3,992,612).			22,166,895
Noncurrent liabilities are not due and payable in the current period; therefore, they are not reported in the governmental fund balance sheet. These noncurrent liabilities are as follows:			
Long-term debt	\$	(613,152,332)	
Unamortized bond premium/discount, net		(36,923,408)	
Compensated absences (excluding internal service fund totals of \$406,657)		(34,101,722)	
Other post-employment benefits (excluding internal service fund totals of \$1,120,765)		(66,364,151)	
Net pension liability (excluding internal service fund totals of \$123,590)		(7,318,201)	
Environmental remediation obligation		(1,792,706)	
Other liabilities		<u>(1,072,322)</u>	<u>(760,724,842)</u>
Net position of governmental activities		\$	<u>578,585,276</u>



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City of Grand Prairie, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds For the Year Ended September 30, 2025

	General	Section 8	Streets CIP
REVENUES			
Property taxes	\$ 93,811,420	\$ -	\$ -
Sales taxes	49,148,667	-	-
Other taxes	679,338	-	-
Franchise fees	15,958,788	-	-
Charges for goods and services	8,410,986	12,360,713	-
Licenses and permits	3,608,611	2,555	-
Fines and forfeitures	6,436,166	-	-
Intergovernmental	3,770,569	54,051,416	367,010
General and administrative	6,296,637	-	-
Rents and royalties	386,322	-	-
Interest and investment income (losses)	(5,311,109)	73,293	2,550,239
Contributions	148,558	-	-
Other	5,335,613	96,888	-
Total revenues	188,680,566	66,584,865	2,917,249
EXPENDITURES			
Current operations:			
Support services	40,770,410	-	-
Public safety services	114,083,289	-	-
Recreation and leisure services	3,784,023	-	-
Development services and other	17,224,968	66,062,734	8,689,585
Capital outlay	2,135,986	7,542	6,211,113
Debt service:			
Principal retirement	1,261,458	5,085	-
Interest and other charges	47,043	351	-
Total expenditures	179,307,177	66,075,712	14,900,698
Excess (deficiency) of revenues over (under) expenditures	9,373,389	509,153	(11,983,449)
OTHER FINANCING SOURCES (USES)			
Transfers in	265,799	-	-
Transfers out	(9,790,154)	-	(3,988,923)
Issuance of debt-bonds	-	-	25,831,000
Premium on bonds issued	-	-	-
Issuance of debt- leases and SBITAs	1,442,313	7,542	-
Proceeds from the sale of assets	2,586,917	6,762	-
Total other financing sources (uses)	(5,495,125)	14,304	21,842,077
Net change in fund balances	3,878,264	523,457	9,858,628
Fund balances - beginning of year	76,134,182	2,512,280	35,842,476
Fund balances - end of year	\$ 80,012,446	\$ 3,035,737	\$ 45,701,104

The Notes to the Basic Financial Statements are an integral part of this statement.

Grants	Debt Service	TIF #1 EPIC CIP	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 54,142,276	\$ -	\$ 14,137,554	\$ 162,091,250
-	-	-	49,031,237	98,179,904
-	-	-	6,581,081	7,260,419
-	-	-	-	15,958,788
34,991	-	-	19,765,346	40,572,036
-	-	-	946,933	4,558,099
-	-	-	612,628	7,048,794
15,591,520	-	-	604,892	74,385,407
-	-	-	-	6,296,637
-	-	-	4,530,156	4,916,478
179,370	371,544	960,178	9,839,714	8,663,229
52,841	-	-	2,100,531	2,301,930
-	750	-	5,555,374	10,988,625
15,858,722	54,514,570	960,178	113,705,446	443,221,596
-	-	-	71,163	40,841,573
992,459	-	-	13,166,016	128,241,764
1,446,804	-	972,183	35,839,100	42,042,110
10,578,144	-	-	23,772,591	126,328,022
11,689,511	-	3,167,456	58,282,867	81,494,475
19,430	38,930,000	-	6,125,317	46,341,290
39	17,549,576	-	2,072,947	19,669,956
24,726,387	56,479,576	4,139,639	139,330,001	484,959,190
(8,867,665)	(1,965,006)	(3,179,461)	(25,624,555)	(41,737,594)
4,008,735	3,362,292	5,850,000	23,357,033	36,843,859
(474,822)	-	-	(16,187,062)	(30,440,961)
-	-	-	55,749,000	81,580,000
-	-	-	7,099,694	7,099,694
3,234	-	-	51,670	1,504,759
1,879	-	-	87,208	2,682,766
3,539,026	3,362,292	5,850,000	70,157,543	99,270,117
(5,328,639)	1,397,286	2,670,539	44,532,988	57,532,523
4,683,245	1,520,610	22,871,037	208,821,066	352,384,896
<u>\$ (645,394)</u>	<u>\$ 2,917,896</u>	<u>\$ 25,541,576</u>	<u>\$ 253,354,054</u>	<u>\$ 409,917,419</u>

City of Grand Prairie, Texas

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds	\$	57,532,523	
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.			81,494,475
Depreciation and amortization on capital assets are reported in the government-wide statement of activities, but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in the governmental funds (except for internal service fund depreciation and amortization totaling \$174,366).			(50,382,363)
Governmental funds do not report capital contributions.			3,311,961
The net effect of various transactions involving capital assets (i.e., disposals, sales, and reassignments) are not reported in the governmental funds.			(746,623)
The issuance of long-term debt (i.e., bonds) provides current financial resources to the governmental funds, while repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Bonds issued	\$	(81,580,000)	
Proceeds, adjustments, and amortization-leases and SBITAs		(984,884)	
Principal retirement		46,341,290	
Bond premium issued		(7,099,694)	
Amortization of bond premiums/discounts		2,800,565	
Amortization of loss on refundings		<u>475,932</u>	(40,046,791)
Some expense accruals reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.			
Accrued interest	\$	(1,178,789)	
Compensated absences		(8,674,838)	
Pollution remediation obligation		(1,077,469)	
Post-employment benefit obligation		(9,018,001)	
Pension liability		12,989,948	
Deferred pension and OPEB contributions, and investment and actuarial experience		(11,445,825)	
Other liabilities		<u>877,718</u>	(17,527,256)
Certain revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			3,121,568
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net operating loss of the internal service funds is reported with governmental activities (net of the amount allocated to business-type activities of \$538,343).			<u>(852,542)</u>
Change in net position of governmental activities	\$		<u><u>35,904,952</u></u>

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Grand Prairie, Texas

Statement of Net Position

Proprietary Funds

September 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	Water Wastewater	Solid Waste	Nonmajor Enterprise Funds	Total	
ASSETS					
Current assets:					
Cash, cash equivalents and investments	\$ 167,754,313	\$ 17,810,589	\$ 8,422,654	\$ 193,987,556	\$ 32,609,340
Accounts receivable, net	16,250,015	2,246,538	836,134	19,332,687	481
Lease receivables	158,989	-	9,695	168,684	-
Inventories and supplies	938,788	-	133,738	1,072,526	168,193
Prepays	-	-	-	-	-
Restricted assets:					
Cash, cash equivalents and investments	7,426,725	-	86,311	7,513,036	-
Total current assets	192,528,830	20,057,127	9,488,532	222,074,489	32,778,014
Noncurrent assets:					
Capital assets:					
Land	4,605,014	5,271,006	759,707	10,635,727	737,566
Buildings	2,931,097	1,995,673	18,463,461	23,390,231	2,014,390
Equipment	18,991,076	21,338,833	2,900,482	43,230,391	3,143,062
Infrastructure	435,112,012	17,530,498	66,855,725	519,498,235	200,000
Right to use leased assets	326,316	8,514	901,131	1,235,961	517
Construction in progress	68,618,051	310,106	79,925	69,008,082	-
Less: accumulated depreciation/ amortization	(271,765,704)	(23,714,427)	(40,869,421)	(336,349,552)	(4,825,932)
Total noncurrent assets	258,817,862	22,740,203	49,091,010	330,649,075	1,269,603
Total assets	451,346,692	42,797,330	58,579,542	552,723,564	34,047,617
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges for refundings	317,783	-	-	317,783	-
Related to OPEB	647,250	242,433	217,275	1,106,958	171,533
Related to TMRs pension	1,968,245	737,222	660,718	3,366,185	521,620
Total deferred outflows of resources	2,933,278	979,655	877,993	4,790,926	693,153
LIABILITIES					
Current liabilities:					
Accounts payable	8,408,321	1,203,638	376,495	9,988,454	588,884
Retainage payable	1,605,961	-	-	1,605,961	-
Accrued interest	432,922	-	-	432,922	-
Accrued liabilities	1,150,213	238,546	117,212	1,505,971	5,919,131
Compensated absences	658,693	227,913	253,155	1,139,761	152,043
Unearned revenue	631,175	-	69,847	701,022	-
Current portion of long-term debt	5,255,599	4,105	182,622	5,442,326	368
Current liabilities payable from restricted assets:					
Customer deposits	7,426,725	-	86,311	7,513,036	-
Total current liabilities	25,569,609	1,674,202	1,085,642	28,329,453	6,660,426
Noncurrent liabilities:					
Compensated absences	641,753	420,814	429,566	1,492,133	254,614
Other postemployment benefits	4,229,014	1,584,013	1,419,634	7,232,661	1,120,765
Closure and postclosure liability	-	11,748,056	-	11,748,056	-
Net pension liability	466,348	174,674	156,548	797,570	123,590
Long-term debt	58,090,783	1,746	603,409	58,695,938	-
Total noncurrent liabilities	63,427,898	13,929,303	2,609,157	79,966,358	1,498,969
Total liabilities	88,997,507	15,603,505	3,694,799	108,295,811	8,159,395
DEFERRED INFLOWS OF RESOURCES					
Related to leases	192,519	-	9,584	202,103	-
Related to OPEB	768,128	287,709	257,852	1,313,689	152,632
Related to TMRs pension	823,718	308,530	276,514	1,408,762	269,236
Total deferred inflows of resources	1,784,365	596,239	543,950	2,924,554	421,868
NET POSITION					
Net investment in capital assets	203,723,302	22,734,352	48,304,979	274,762,633	1,269,603
Restricted for:					
Debt service	4,170,857	-	-	4,170,857	-
Capital projects	62,608,490	2,974,987	-	65,583,477	-
Unrestricted	92,995,449	1,867,902	6,913,807	101,777,158	24,889,904
Total net position	\$ 363,498,098	\$ 27,577,241	\$ 55,218,786	\$ 446,294,125	\$ 26,159,507
Reconciliation to the government-wide Statement of Net Position:					
Adjustments to reflect the consolidation of internal service fund activities related to Enterprise Funds				3,992,612	
Net position of business-type activities				\$ 450,286,737	

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Grand Prairie, Texas
Statement of Revenues, Expenses,
And Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	Water Wastewater	Solid Waste	Nonmajor Enterprise Funds	Total	
OPERATING REVENUES					
Water sales	\$ 66,479,741	\$ -	\$ -	\$ 66,479,741	\$ -
Wastewater services	47,369,557	-	-	47,369,557	-
Water and wastewater fees	2,787,524	-	-	2,787,524	-
Wastewater surcharges	1,002,435	-	-	1,002,435	-
Solid waste fees	-	19,328,585	-	19,328,585	-
Charges for services	-	-	14,613,495	14,613,495	7,952,892
Intergovernmental revenue	-	60,414	203,546	263,960	32,366,685
Miscellaneous	289,708	72,232	816,063	1,178,003	1,202,244
Total operating revenue	117,928,965	19,461,231	15,633,104	153,023,300	41,521,821
OPERATING EXPENSES					
Salaries and benefits	12,874,397	4,774,998	4,782,189	22,431,584	3,480,813
Supplies and miscellaneous purchases	1,692,650	655,239	1,675,955	4,023,844	3,984,178
Purchased services	12,280,031	8,370,343	2,520,081	23,170,455	1,782,774
Insurance costs	-	-	-	-	31,934,558
Water purchases	21,422,057	-	-	21,422,057	-
Wastewater treatment	24,570,345	-	-	24,570,345	-
General and administrative costs	5,138,301	565,497	238,199	5,941,997	-
Franchise fees	4,229,142	493,721	336,986	5,059,849	-
Miscellaneous	2,705,777	1,544,293	883,534	5,133,604	2,373,145
Lease Interest	-	-	-	-	6
Depreciation	14,590,591	3,163,442	2,486,065	20,240,098	174,366
Total operating expenses	99,503,291	19,567,533	12,923,009	131,993,833	43,729,840
Operating income	18,425,674	(106,302)	2,710,095	21,029,467	(2,208,019)
NONOPERATING REVENUES (EXPENSES)					
Interest income	5,723,957	924,638	326,523	6,975,118	-
Investment income	147,889	-	-	147,889	1,643,069
Gain (loss) on property disposition	34,811	13,215	185,693	233,719	5,197
Interest expense	(1,893,489)	(114)	(13,492)	(1,907,095)	-
Total nonoperating revenues (expenses)	4,013,168	937,739	498,724	5,449,631	1,648,266
Income before contributions and transfers	22,438,842	831,437	3,208,819	26,479,098	(559,753)
CONTRIBUTIONS AND TRANSFERS					
Capital contributions-impact fees	3,241,410	-	-	3,241,410	-
Capital contributions	14,956,334	-	5,645,014	20,601,348	-
Transfers out - capital assets	-	-	(9,605)	(9,605)	-
Transfers in	16,000	105,500	422,768	544,268	-
Transfers out	(1,601,404)	(364,855)	(4,563,592)	(6,529,851)	(422,768)
Total contributions and transfers	16,612,340	(259,355)	1,494,585	17,847,570	(422,768)
Change in net position	39,051,182	572,082	4,703,404	44,326,668	(982,521)
Net position - beginning of year	324,446,916	27,005,159	50,515,382	401,967,457	27,142,028
Net position - end of year	\$ 363,498,098	\$ 27,577,241	\$ 55,218,786	\$ 446,294,125	\$ 26,159,507
Reconciliation to government-wide Statement of Activities:					
Total change in net position				\$ 44,326,668	
Adjustments to reflect the consolidation of internal service fund activities related to Enterprise Funds				(129,979)	
Change in net position of business-type activities				<u>\$ 44,196,689</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Grand Prairie, Texas
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	Water Wastewater	Solid Waste	Other Nonmajor	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers	\$ 111,648,008	\$ 18,606,107	\$ 14,627,128	\$ 144,881,243	\$ -
Cash receipts from city and employee contributions	-	-	-	-	32,366,685
Cash receipts from inter-fund services provided	-	-	-	-	7,952,622
Cash receipts from other governments	-	60,414	203,546	263,960	-
Other operating cash receipts	289,708	72,232	816,063	1,178,003	1,202,244
Cash payments to suppliers for goods and services	(62,959,961)	(8,521,045)	(4,966,141)	(76,447,147)	(9,318,765)
Cash payments to employees for services	(10,827,122)	(4,227,253)	(4,043,455)	(19,097,830)	(2,475,541)
Cash payments for interfund services used	-	-	(336,986)	(336,986)	(31,297,420)
Other operating cash payments	(6,934,919)	(2,038,014)	(238,199)	(9,211,132)	-
Net cash provided by (used in) operating activities	31,215,714	3,952,441	6,061,956	41,230,111	(1,570,175)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	16,000	105,500	422,768	544,268	-
Transfers to other funds	(1,601,404)	(364,855)	(4,563,592)	(6,529,851)	(422,768)
Contributions from other governments	2,541,912	-	-	2,541,912	-
Net cash provided by (used in) noncapital financing activities	956,508	(259,355)	(4,140,824)	(3,443,671)	(422,768)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from issuance of liabilities	30,419,200	-	(786,031)	29,633,169	-
Capital impact fees from developers	3,241,410	-	-	3,241,410	-
Proceeds from disposition of capital assets	38,259	70,431	832,406	941,096	5,197
Acquisition and construction of capital assets	(35,385,592)	(2,868,099)	(1,530,063)	(39,783,754)	(20,465)
Principal paid on debt	(5,500,000)	-	-	(5,500,000)	-
Interest paid on debt	(1,552,408)	(114)	(13,454)	(1,565,976)	(6)
Other fiscal fees paid	(45,000)	-	-	(45,000)	-
Net cash provided by (used in) capital and related financing activities	(8,784,131)	(2,797,782)	(1,497,142)	(13,079,055)	(15,274)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received on investments	5,871,846	924,638	326,523	7,123,007	1,643,069
Net cash provided by (used in) investing activities	5,871,846	924,638	326,523	7,123,007	1,643,069
Net (decrease) increase in cash and equivalents	29,259,937	1,819,942	750,513	31,830,392	(365,148)
CASH AND CASH EQUIVALENTS, beginning of year	<u>145,921,101</u>	<u>15,990,647</u>	<u>7,758,452</u>	<u>169,670,200</u>	<u>32,974,488</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 175,181,038</u>	<u>\$ 17,810,589</u>	<u>\$ 8,508,965</u>	<u>\$ 201,500,592</u>	<u>\$ 32,609,340</u>
RECONCILIATION OF OPERATING INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ 18,425,674	\$ (106,302)	\$ 2,710,095	\$ 21,029,467	\$ (2,208,019)
Adjustments to operating income (loss) to net cash from operating activities:					
Depreciation/amortization	14,590,591	3,163,442	2,486,065	20,240,098	174,366
Provisions for uncollectible accounts	-	954,093	-	954,093	-
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(6,062,296)	(1,676,571)	12,203	(7,726,664)	-
(Increase) decrease in inventories and supplies	(195,290)	-	8,593	(186,697)	(14,564)
(Increase) decrease in prepaids	2,066,652	-	33,600	2,100,252	(270)
Increase (decrease) in accounts payable	526,272	479,939	57,453	1,063,664	(526,960)
Increase (decrease) in retainage payable	(254,211)	-	-	(254,211)	-
Increase (decrease) in accrued liabilities	624,130	590,095	24,836	1,239,061	525,278
Increase (decrease) in customer deposits	345,478	-	1,430	346,908	-
Increase (decrease) in unearned revenue	(274,431)	-	(11,053)	(285,484)	-
Increase (decrease) in compensated absences	936,663	505,300	522,744	1,964,707	303,231
Increase (decrease) in OPEB liability	188,614	(111,954)	132,142	208,802	61,544
Increase (decrease) in pension liability	297,868	154,399	83,848	536,115	115,219
Net cash provided by (used in) operating activities	<u>\$ 31,215,714</u>	<u>\$ 3,952,441</u>	<u>\$ 6,061,956</u>	<u>\$ 41,230,111</u>	<u>\$ (1,570,175)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Capital contributions from developers/granting agencies	\$ 14,956,334	\$ -	\$ 5,645,014	\$ 20,601,348	\$ -
	<u>\$ 14,956,334</u>	<u>\$ -</u>	<u>\$ 5,645,014</u>	<u>\$ 20,601,348</u>	<u>\$ -</u>
RECONCILIATION OF ENDING CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION					
Unrestricted cash and cash equivalents - end of year	\$ 167,754,313	\$ 17,810,589	\$ 8,422,654	\$ 193,987,556	\$ 32,609,340
Restricted cash and cash equivalents - end of year	7,426,725	-	86,311	7,513,036	-
TOTAL CASH AND CASH EQUIVALENTS, end of year	<u>\$ 175,181,038</u>	<u>\$ 17,810,589</u>	<u>\$ 8,508,965</u>	<u>\$ 201,500,592</u>	<u>\$ 32,609,340</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

City of Grand Prairie, Texas

Statement of Net Position

Discretely Presented Component Units

September 30, 2025

	Business-Type Activities		Governmental Activities		
	Grand Prairie Sports Facilities Development	Grand Prairie Housing Finance Corporation	Grand Prairie Local Government Corporation	Grand Prairie Hotel Development Corporation	Total Component Units
ASSETS					
Cash, cash equivalents and investments	\$ 17,247,494	\$ 651,668	\$ 242,582	\$ 135,575	\$ 18,277,319
Investments	-	87,593	-	-	87,593
Receivables, net	15,286	315,726	-	1,306,254	1,637,266
Leases receivable	3,330,528	-	-	-	3,330,528
Prepays	-	459,542	-	-	459,542
Restricted assets:					
Cash and cash equivalents	-	1,039,174	-	-	1,039,174
Estimated unguaranteed residual value	7,443,374	-	-	-	7,443,374
Capital assets:					
Nondepreciable	-	1,612,851	17,231,353	-	18,844,204
Depreciable, net	-	7,882,960	-	-	7,882,960
Total assets	28,036,682	12,049,514	17,473,935	1,441,829	59,001,960
LIABILITIES					
Accounts payable	4,495	533,716	-	929,996	1,468,207
Accrued liabilities	-	126,953	-	-	126,953
Customer deposits	-	94,600	-	-	94,600
Noncurrent liabilities:					
Current portion of long-term debt	-	78,069	-	-	78,069
Due in more than one year:					
Long-term debt	-	3,632,160	-	-	3,632,160
Total liabilities	4,495	4,465,498	-	929,996	5,399,989
DEFERRED INFLOWS OF RESOURCES					
Related to leases	386,060	-	-	-	386,060
Total deferred outflows of resources	386,060	-	-	-	386,060
NET POSITION					
Net investment in capital assets	-	5,785,582	17,231,353	-	23,016,935
Restricted for:					
Facility lease	10,773,902	-	-	-	10,773,902
Unrestricted	16,872,225	1,798,434	242,582	511,833	19,425,074
Total net position	\$ 27,646,127	\$ 7,584,016	\$ 17,473,935	\$ 511,833	\$ 53,215,911

The Notes to the Basic Financial Statements are an integral part of this statement.



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City of Grand Prairie, Texas
Statement of Activities
Discretely Presented Component Units
For the Year Ended September 30, 2025

Functions/Activity	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Component Units				
Governmental activities:				
Grand Prairie Local Government Corporation	\$ 36,469	\$ -	\$ -	\$ -
Grand Prairie Hotel Development Corporation	14,589,153	14,940,950	-	-
Total governmental activities	14,625,622	14,940,950	-	-
Business-type activities:				
Grand Prairie Sports Facilities Development	7,258,146	522,450	-	506,731
Grand Prairie Housing Finance Corporation	5,296,020	6,344,712	-	2,000
Total business-type activities	12,554,166	6,867,162	-	508,731
Total Component Units	\$ 27,179,788	\$ 21,808,112	\$ -	\$ 508,731
General revenues:				
Investment income (losses)				
Miscellaneous revenue				
Total general revenues				
Change in net position				
Net position - beginning of year				
Net position - end of year				

The Notes to the Basic Financial Statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Position**

Component Units				
Grand Prairie Sports Facilities Development	Grand Prairie Housing Finance Corporation	Grand Prairie Local Government Corporation	Grand Prairie Hotel Development Corporation	Total
\$ -	\$ -	\$ (36,469)	\$ -	\$ (36,469)
-	-	-	351,797	351,797
-	-	(36,469)	351,797	315,328
(6,228,965)	-	-	-	(6,228,965)
-	1,050,692	-	-	1,050,692
(6,228,965)	1,050,692	-	-	(5,178,273)
<u>\$ (6,228,965)</u>	<u>\$ 1,050,692</u>	<u>\$ (36,469)</u>	<u>\$ 351,797</u>	<u>\$ (4,862,945)</u>
\$ 449,609	\$ 23,636	\$ 3,849	\$ -	\$ 477,094
-	-	68	-	68
449,609	23,636	3,917	-	477,162
(5,779,356)	1,074,328	(32,552)	351,797	(4,385,783)
33,425,483	6,509,688	17,506,487	160,036	57,601,694
<u>\$ 27,646,127</u>	<u>\$ 7,584,016</u>	<u>\$ 17,473,935</u>	<u>\$ 511,833</u>	<u>\$ 53,215,911</u>



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Notes to the Basic Financial Statements



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City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Note 1. Summary of Significant Accounting Policies

A. Introduction

The City of Grand Prairie (City) is one of the Mid-Cities in the Dallas-Fort Worth Metroplex, 12 miles west of downtown Dallas, 18 miles east of downtown Fort Worth and six miles south of DFW International Airport. The City was incorporated in 1909 and adopted the Council-Manager form of government in 1948.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants, as published in Audits of State and Local Governments.

B. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including legally separate entities as component units within the City's reporting entity are set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*. Based on this criterion, the City reports the following component units as part of the financial reporting entity:

Blended Component Units

Grand Prairie Crime Control and Prevention District

The City of Grand Prairie Crime Control and Prevention District (CCPD) was created in May 2007 under the provisions of the Crime Control and Prevention Act and the authority of Chapter 363, Texas Local Government Code, as amended (Act) by Resolution No. 2007-02 of the Grand Prairie City Council. The purpose of the CCPD is to provide crime control and crime prevention strategies, specific treatment, and prevention programs, and court and prosecution services, including the cost of personnel, administration, expansion, enhancement, and capital expenditures, and any other programs as authorized by Chapter 363.

Under the authority of the Act, the voters of Grand Prairie approved a proposition to levy and collect an additional quarter-cent sales and use tax for the purpose of funding the CCPD, which became effective October 1, 2007. In 2020, citizens voted to continue/renew the quarter-cent sales and use tax for this same purpose.

The CCPD's governing body is substantively the same as the governing body of the City, as the seven members of the CCPD's Board of Directors are all City council members. The City has operational responsibility for the CCPD, and the CCPD provides all of its services to the City. If the District is dissolved, its assets will become the City's property. For these reasons, the CCPD is reported as a blended component unit of the City and is reported as a special revenue fund within the City's governmental activities. This special revenue fund was established specifically to account for the accumulation and use of the quarter-cent sales tax revenue collected for the CCPD.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Discretely Presented Component Units

Grand Prairie Sports Facilities Development Corporation

The Sports Corporation was incorporated on June 10, 1992, under the provisions of the Development Corporation Act of 1979, as amended, Article 5190.6, Texas Revised Civil Statutes Annotated, as amended (Act) by Resolution No. 2841 of the Grand Prairie City Council. The purpose of the Sports Corporation is to promote economic development within the City in order to reduce unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the City by developing, implementing, providing, and financing projects authorized under the Act.

The Act provides that the City may levy a one-half cent sales and use tax for the benefit of the Sports Corporation, if the tax is authorized by a majority of the qualified voters in an election. On January 18, 1992, a majority of the voters approved a proposition to levy and collect an additional one-half cent sales and use tax for the purpose of constructing a horse racetrack. The one-half cent sales and use tax increase became effective April 1, 1993, to cover the costs of the project, or the principal, interest, and other costs relating to any bonds or obligations issued to pay the costs of the project, or to refund bonds or obligations issued to pay the costs of the project. All bonds were redeemed on September 15, 2007. The sales tax was discontinued on September 30, 2007.

The City continues to receive significant financial benefits from the Sports Corporation as excess earnings of the Sports Corporation are paid to the City; and, if dissolved, all assets of the Sports Corporation become the City's property. Although the Sports Corporation is a legally separate entity, the City has the ability to impose its will upon the Sports Corporation, as its Board of Directors are all appointed by the City Council, and four of the seven-member board are actual City Council members. For this reason, the Sports Corporation is presented as part of the City's reporting entity as a discretely presented component unit. Discretely presented component units are presented in a separate column alongside the City's financial information. Separate issued financial statements may be requested by writing City of Grand Prairie, Texas, Attn: City Controller, 300 W. Main Street, P.O. Box 534045, Grand Prairie, Texas, 75053-4045.

Grand Prairie Housing Finance Corporation

The Grand Prairie Housing Finance Corporation (HFC) was created to issue tax-exempt revenue bonds to supply mortgage financing for low-income home buyers and multi-family development. While the entity is legally, financially, and administratively autonomous, the governing body of the City of Grand Prairie may, at its sole discretion, and at any time, amend HFC's Articles of Incorporation, and alter or change its structure, programs, or activities, or terminate or dissolve it. Additionally, members of the Board of Directors are appointed by and may be removed by the City Council. However, the City is not financially obligated for any debt of the HFC. For these reasons, the HFC is presented as part of the City's reporting entity as a discretely presented component unit.

The HFC's financial information, for its calendar year ended December 31, 2024, is included in the City's financial statements in a separate column alongside the City's. Separate audited financial statements may be obtained by writing Grand Prairie Housing Finance Corporation, Attn: Executive Director, P. O. Box 532758, Grand Prairie, Texas 75053-2758.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Grand Prairie Local Government Corporation

The Grand Prairie Local Government Corporation (LGC) was organized for the purpose of aiding, assisting, and acting on behalf of the City of Grand Prairie, Texas ("the City") in the performance of its governmental functions to promote the common good and general welfare of the City by promoting economic development. The LGC's operations are to acquire, develop, or redevelop real property within the City. While the entity is legally, financially and administratively autonomous, the governing body of the City of Grand Prairie may, at its sole discretion, and at any time, amend LGC's Articles of Incorporation, and alter or change its structure, programs or activities, or terminate or dissolve it. Additionally, members of the Board of Directors are appointed by and may be removed by the City Council. However, the City is not financially obligated for any debt of the LGC. For these reasons, the LGC is presented as part of the City's reporting entity as a discretely presented component unit. Separate issued financial statements may be requested by writing City of Grand Prairie, Texas, Attn: City Controller, 300 W. Main Street, P.O. Box 534045, Grand Prairie, Texas, 75053-4045.

Grand Prairie Hotel Development Corporation

The Grand Prairie Hotel Development Corporation ("HDC") was organized for the purpose of aiding, assisting, and acting on behalf of the City of Grand Prairie, Texas ("the City") in the performance of its governmental functions to promote the common good and general welfare of the City on behalf of the City, the promotion of economic development, the acquisition, development, and redevelopment of real property within the City, the construction and/or operation of City facilities; to lease City facilities, including a hotel and conference center to be owned, constructed, and financed by the City ("Hotel") for subsequent lease to the Corporation, to enter contracts for the management and operation of the Hotel, and to perform such other governmental purposes of the City as may be determined from time to time by the City Council of the City (the "City Council"). While the entity is legally, financially, and administratively autonomous, the City Council may, at its sole discretion, and at any time, amend HDC's Articles of Incorporation, alter or change its structure, programs or activities, or terminate or dissolve it. Additionally, members of the Board of Directors are appointed by and may be removed by the City Council. However, the City is not financially obligated for any debt of the HDC. For these reasons, the HDC is presented as part of the City's reporting entity as a discretely presented component unit. Separate issued financial statements may be requested by writing City of Grand Prairie, Texas, Attn: City Controller, 300 W. Main Street, P.O. Box 534045, Grand Prairie, Texas, 75053-4045.

Related Autonomous Entities

Grand Prairie Health Facilities Development Authority

The Grand Prairie Health Facilities Development Authority (HFDA) was created to issue tax-exempt revenue bonds to finance medical facilities. While the HFDA's revenue bonds were defeased, the HFDA continues to exist only to make decisions from time to time regarding the defeased bonds. The City exercises no control over the HFDA or its budget.

Grand Prairie Industrial Development Authority

The Grand Prairie Industrial Development Authority (GPIDA) was created to issue tax-exempt industrial revenue bonds to assist in the City's economic development and to evaluate tax abatement applications. The City exercises no control over the GPIDA's management, budget, or operations.

C. Implementation of New Accounting Pronouncements

In fiscal year 2025, the City implemented GASB Statement No. 101, Compensated Absences, which will better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The standard was implemented with no impact to amounts or disclosures previously reported.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

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In fiscal year 2025, the City implemented GASB Statement No. 102, Certain Risk Disclosures, to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The standard was implemented with no impact to amounts or disclosures previously reported.

The GASB pronouncements effective for fiscal year 2026 and beyond are listed as follows:

GASB Statement No. 103, Financial Reporting Model Improvements (GASB 103), improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 103 will be implemented in the City's fiscal year 2026 financial statements, and the impact has not yet been determined.

GASB Statement No. 104, Disclosure of Certain Capital Assets (GASB 104), establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 104 will be implemented in the City's fiscal year 2026 financial statements and the impact has not yet been determined.

GASB Statement No. 105, Subsequent Events (GASB 105), improves financial reporting related to subsequent events by 1) clarifying the subsequent events time frame and the subsequent events that constitute recognized and non-recognized events and 2) specifying the information items that are required to be disclosed about subsequent events. The requirements of this statement are effective for reporting periods beginning after June 15, 2026, with earlier application encouraged. GASB 105 will be implemented in the City's fiscal year 2027 financial statements and the impact has not yet been determined.

D. Basis of Presentation

Government-Wide Financial Statements

The two government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information on all activities of the City, including component units. Governmental activities, which include those activities primarily supported by taxes or intergovernmental revenue, are reported separately from business-type activities, which generally rely on fees and charges for support. Significant revenues generated from business-type activities include charges to customers for water and wastewater services, golf course fees, airport user charges, solid waste collection services, and storm water utility fees. As a general rule, the internal activity between governmental activities and business-type activities is eliminated from the government-wide financial statements, except that charges for administrative overhead services provided by the governmental activities to the business-type activities are included as revenues to the governmental activities and expenses to the business-type activities.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

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The Statement of Activities reports the change in the City's net position from October 1, 2024 to September 30, 2025. This statement demonstrates the degree to which the direct expenses of a given function of the government are offset by program revenues. Specifically, the City has identified the following functions of government – support services, public safety services, recreation and leisure services, development services, water and wastewater services, solid waste services, storm water services, airport operations, and golf course operations. *Direct expenses* are those that are clearly identifiable with a specific function of the City government. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as *general revenues* in the statement of activities.

Fund Financial Statements

In addition to the government-wide financial statements, the City also reports separate financial statements for major functions or activities of the government. These financial statements are organized on the basis of funds, with governmental resources allocated to and accounted for based on the purposes for which they are spent and the means by which spending activities are controlled. Separate statements are presented for governmental activities and proprietary activities.

Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenditures/expenses, and fund balances. The fund financial statements present each major fund as a separate column, while all non-major funds are aggregated and presented in a single column. Major funds are calculated using specific methods outlined in GASB Statement No. 34, or City management may also deem funds as major for presentation purposes.

At September 30, 2025, major governmental funds include the following:

General Fund

The General Fund is the primary operating fund of the City. This fund is used to account for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs not paid through other funds are paid from the General Fund.

Section 8 Fund

This special revenue fund accounts for grant and contract revenue received from the federal government for providing housing assistance to low-income families and for the administration of the program.

Street CIP Fund

This capital project fund accounts for the construction and renovation of thoroughfares and arterial streets and roads financed through general obligation bond proceeds and other dedicated sources.

Grants Fund

This special revenue fund accounts for the various federal, state, and local grant revenue received by the City. All grants included in this fund are for specific projects with a limited duration.

Debt Service Fund

The City's Debt Service Fund accounts for the accumulation of financial resources for the payment of principal, interest, and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted exclusively for debt service expenditures.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

TIF #1 Epic CIP Fund

This capital project fund accounts for construction, improvements, and other capital expenditures related to EPIC.

At September 30, 2025, major enterprise funds include the following:

Water/Wastewater Fund

This fund accounts for water and wastewater system services provided for residents of the City, including administration, operations, maintenance, debt service, billing, and collection. The City purchased treated water from surrounding cities, and water is pumped from City-owned wells. Although the City owns the wastewater collection system, it has no treatment facilities. Wastewater treatment is provided by the Trinity River Authority. Contracts relating to purchased water and wastewater treatment are discussed in Note 2M. All costs are financed through charges to utility customers, with rates reviewed regularly and adjusted if necessary to ensure the integrity of the funds.

Solid Waste Fund

This fund accounts for the City's landfill, garbage/recycling collection service, brush and litter collection, street sweeping, illegal dumping cleanup, Keep Grand Prairie Beautiful, and auto-related business programs, as well as several special-purpose transfers related to reserves for landfill closure, post-closure costs and environmental remediation. All costs are financed through charges to sanitation customers.

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured; the basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Government-Wide Financial Statements

The government-wide financial statements and the fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) are included on the Statement of Net Position, and the operating statement presents increases (revenues) and decreases (expenses) in the net position. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized at the time the liability is incurred.

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when both *measurable* and *available*. *Measurable* means knowing or being capable of calculating or estimating the amount to be received. *Available* means collectible within the current period or soon enough thereafter to pay current liabilities (generally sixty days). Also, under the modified accrual basis of accounting, expenditures (including capital outlay) are recorded in the period when the related fund liability is incurred, except for general obligation bond principal and interest and expenditures related to compensated absences, which are recorded when due rather than when incurred.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Major revenue sources susceptible to accrual in the governmental funds include property taxes, sales taxes, franchise fees, charges for services, and intergovernmental revenues. Revenue is accrued when it is deemed available, except for intergovernmental revenues.

Grant revenues are recognized not just when available, but when the qualifying expenditures have been incurred, and all other grant requirements have been met.

The City also reports *unavailable* and *unearned* revenues in its governmental funds. *Unavailable* revenues arise when potential revenue does not meet both the *measurable* and *available* criteria for recognition in the current period. *Unearned* revenues arise when the City receives revenue resources before it has a legal claim to them, as when grant money is received prior to the incidence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the City has a legal claim to the resource, the revenue is recognized.

Proprietary Funds

As mentioned earlier, proprietary funds use the economic resources measurement focus and the accrual basis of accounting. The accounting objectives for proprietary funds are the determination of net income, financial position, and cash flows. Proprietary fund equity is segregated into (1) net investment in capital assets; (2) restricted net position, and (3) unrestricted net position. Proprietary funds distinguish operating revenues and expenses from the non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports two types of proprietary funds – enterprise funds and internal services funds.

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is 1) that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis, be financed or recovered primarily through user charges, or 2) where the City Council has decided that periodic determination of revenues earned, expenses incurred, and/or operating income generated are appropriate for the purposes of capital maintenance, public policy, management control, and/or accountability. The City maintains five enterprise funds – water and wastewater services, solid waste services, storm water services, airport operations, and golf course operations. These enterprise funds are classified as business-type activities in both the government-wide and governmental fund financial statements.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department to other departments within the City, on a cost-reimbursement basis. The City has two internal service funds:

- **Fleet Services Fund** – accounts for a full range of services in managing and maintaining the City's fleet of vehicles and equipment.
- **Risk Management Fund** – accounts for premiums, deductibles, and claims for the City's property, liability, workers' compensation, and employee health and life insurance programs. The City reports all risk financing activities in the Risk Management Fund.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

F. Assets, Liabilities, Deferred Outflows/Inflows Resources, and Net Position/Fund Balances

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Interest earnings are allocated to specific designated funds. For purposes of the statements of cash flows, the City considers cash on hand, demand deposits, and investments with original maturities of three months or less to be cash equivalents.

Receivables and Payables

Major revenue sources susceptible to accrual are recorded as receivables when they become both measurable and available. Expenditures incurred during the current fiscal year but not yet paid are recorded as payables at fiscal year-end.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at fiscal year-end are referred to as due to/from other funds.

Lease Receivables

The City is a lessor for noncancelable leases of property and equipment. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) the lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Inventories and Prepaid Items

Inventory consists primarily of supplies and materials and is recorded at cost when purchased and expensed when consumed. For the General Fund, inventory is expensed on an actual specific-cost basis. Special Revenue and Enterprise Funds' inventory is charged out on a first-in, first-out basis, except for fuel inventory, which is charged out on a moving-average basis. Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year. The cost of prepaid items is expensed when consumed rather than when purchased.

Accordingly, for both inventories and prepaid items, fund balance is classified as non-spendable for an amount equal to the cost to signify that those funds are not available for spending.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Capital Assets and Depreciation/Amortization

Capital assets (i.e., land, buildings, equipment, improvements other than buildings, infrastructure, right-to-use assets, and construction in progress) of all the funds are stated at historical cost or estimated historical cost if historical cost is not known. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value on the date donated. An item is classified as an asset if the initial, individual cost is \$5,000 or greater. Capital assets of the City are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund financial statements. Assets subject to depreciation are depreciated using the straight-line method.

The estimated useful lives of all depreciable assets are as follows:

Buildings	20 - 40 years
Infrastructure	20 - 40 years
Improvements- Facilities and Other	10 years
Intangibles	3 - 5 years
Equipment	5 - 15 years
Vehicles	5 - 15 years

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets by the City that applies to future periods, and as such will not be recognized as an outflow of resources (expenses/expenditures) until then. Deferred outflows of resources are reported in the government-wide Statement of Net Position for governmental and business-type activities and in the Statement of Net Position in the fund financial statements only for proprietary funds. The City has the following items that qualify for reporting in this category.

- **Deferred charges on debt refunding** – results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- **Pension and OPEB Employer contributions** – contributions made from the measurement date of the plans to the current fiscal year-end (January to September). These contributions are deferred and recognized in the subsequent fiscal year.
- **Pension and OPEB investment experience** – the difference between projected and actual earnings of plan investments. The difference is deferred and recognized as pension plan expense over a closed five-year period as required by GASB No. 68 and 75.
- **Pension and OPEB assumption changes** – the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members as of the beginning of the measurement period.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods, and as so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources are reported in the basic financial statements, the same as deferred outflows of resources. The City has the following items that qualify for reporting in this category.

- **Unavailable revenue** – at the governmental fund level, property tax and ambulance receivables recorded but not expected to be collected within sixty days after the fiscal year end are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

City of Grand Prairie, Texas

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September 30, 2025

- **Pension and OPEB actuarial experience** – the difference between the expected and actual experience in the actuarial measurement of the total pension and OPEB liability not recognized in the current year. This amount is deferred and amortized over a period of years determined by the plan actuary. The amortization period is based on the estimated average remaining service lives of employees that are provided with a pension or OPEB through the plans (active and inactive employees) for the City, determined at the beginning of the measurement date.
- **OPEB assumption changes** – the difference resulting from a change in assumptions used to measure the underlying net pension and OPEB liability. These differences are deferred and recognized over the estimated average remaining lives of all members as of the beginning of the measurement period.
- **Pension investment experience** – the difference between projected and actual earnings of plan investments. The difference is deferred and recognized as pension plan expense over a closed five-year period as required by GASB No. 68.
- **Deferred inflows related to leases**- collections of lease receivables are deferred in both the governmental fund and government-wide financial statements. These amounts are recognized systematically over the life of the lease.

Compensated Absences

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee benefit account) during or upon separation from employment. Based on the criteria listed, the following types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The City's policy permits employees to accumulate earned but unused vacation benefits, with limits on accumulation. Vacation benefits are eligible for payment upon separation from employment, with limitations.

Sick Leave

The City's policy permits employees to accumulate earned but unused sick leave benefits, with limits on accumulation. Sick leave benefits are not eligible for payment upon separation from employment, with limitations.

A liability for the estimated value of leave benefits that will be paid upon separation of service or used by employees as time off is included in the liability for compensated absences.

Lease Payables

The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary funds financial statements.

At the implementation of GASB Statement No. 87, the City initially measured the lease liabilities at the present value of payments expected to be made during the remaining lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease right-to-use asset was initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

the lease commencement date, plus certain initial direct costs. Subsequently, the lease right-to use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a re-measurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets, and lease liabilities are reported with long-term debt on the Statement of Net Position.

Subscription-Based Information Technology Arrangements (SBITAs)

The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

At the commencement of an SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance, or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Pensions

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Complete details of the plan are listed in Note J.

Postemployment Benefits

The City provides post-employment healthcare benefits to all vested employees upon retirement from the City. Employees are vested in the City's pension plan with twenty-five years or more of service, regardless of age, or five years or more of service at age sixty and above. Coverage is also available to dependents or surviving spouses of retirees. The City subsidizes medical, dental, and hospitalization costs incurred by retirees and their dependents. Recommendations for plan benefits are presented to the City Council for their approval during the annual budget process. The City's plan qualifies as a single-employer, defined benefit plan. Complete details of the plan are listed in Note K.

Long-Term Debt

General obligation bonds and other debt issued for general government capital projects and acquisitions that are repaid from tax revenues are recorded in the governmental activities column in the government-wide Statement of Net Position. Debt issued to fund capital projects in the proprietary funds is recorded in both the business-type activities column in the government-wide Statement of Net Position and in the proprietary fund Statement of Net Position. Bond premiums and discounts, as well as deferred charges on refunded debt obligations, are deferred and amortized over the life of the bonds using the effective interest method in the government-wide financial statements and the proprietary funds. Bonds payable are reported net of applicable bond premiums and discounts.

Nature and Purpose of Classifications of Fund Balance and Net Position

Restricted fund balances in the governmental funds are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, for specific purposes.

Committed fund balances can only be used for specific purposes pursuant to constraints imposed by the City Council, through an ordinance or resolution, which are considered equally restrictive for the purpose of committing fund balances. To remove or change the constraint, the City Council must take the same level of action.

Assigned fund balances are determined by City management based on City Council direction, in accordance with financial policies adopted by resolution. Assigned fund balances are constrained by the intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance includes the residual fund balance for the General Fund, representing the amount that does not meet the criteria for restricted, committed, or assigned. The unassigned classification also includes a negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting another fund balance classification.

Non-spendable fund balances represent inventories and prepaid items.

The City considers expenditures to be made from the most restrictive classification when more than one classification is available.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements
September 30, 2025

Minimum Fund Balance Policy

The City desires to maintain an adequate fund balance in the General Fund to maintain liquidity and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial policy to maintain a minimum unassigned fund balance of 50 to 60 days of the budgeted General Fund expenditures.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Restricted net position represents the difference between restricted assets and liabilities payable from these assets that is externally imposed by enabling legislation.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, plus deferred outflows from bond refundings, reduced by retainage payable and the outstanding balance of any debt used for acquisition, construction, or improvements of those assets, plus any unspent bond proceeds.

F. Budgetary Control

As set forth by the City Charter, the City Manager submits annual budgets to the City Council in August for the upcoming fiscal year. In September, the City Council adopts budgets for all governmental funds except for the Grants Fund, Police Seizure Funds, Tax Increment Financing District Funds (TIFs), Verizon Theatre Fund, Juvenile Case Manager Fund, and other minor funds combined with budgeted funds. For each governmental fund, budgeted appropriations (expenditures) may not exceed budgeted revenues plus beginning fund balances.

Capital project funds are controlled on a project basis, and budgeted appropriations are carried forward each year until the project is completed.

Note 2. Detailed Notes

A. Deposits and Investments

Cash and Cash Equivalents

At September 30, 2025, the City reported cash-carrying amount (book) and bank balances were as follows:

<u>Financial Institution</u>	<u>Book Balance</u>	<u>Bank Balance</u>
Wells Fargo	\$ 10,738,685	\$ 9,984,073
Petty cash	26,581	-
Total cash	<u>\$ 10,765,266</u>	<u>\$ 9,984,073</u>

Chapter 2257 Collateral for Public Funds of the Government Code requires that all deposits in financial institutions be fully collateralized by U.S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. The above book balance includes monies held in escrow, pushing the book balance above the collateral value. Per Wells Fargo Bank, N.A., and BNY Mellon's contractual obligation to the City, the collateral value held in the City's name on September 30, 2025 was \$9,679,782 with FDIC demand deposit coverage of an additional \$1,000,000.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Grand Prairie Sports Facilities Development

At September 30, 2025, the carrying amount of the Sports Corporation's deposits included in cash and cash equivalents was \$95,465, while the bank balance of the Sports Corporation's deposits was \$97,060. The bank balance was entirely covered by collateral held by the Sports Corporation's agent in the Sports Corporation's name.

Grand Prairie Housing Finance Corporation

The bank balance of HFC at December 31, 2024, including restricted cash, totaled \$1,690,842, all of which was covered by FDIC insurance and collateral held by the depository institution in HFC's name. HFC's unrestricted cash and cash equivalents had a balance of \$651,668. Restricted cash of \$1,039,174 (tenant security deposits) represents cash held on deposit by HFC for insurance proceeds received for damages to federally funded assets. The liability is recorded until final disposition of the proceeds is requested by HUD. Other assets include reserves of \$193,103.

Grand Prairie Local Government Corporation

At September 30, 2025, the carrying amount and bank balance of the Local Government Corporation's deposits included in cash and cash equivalents was \$128,970, respectively. The bank balance was entirely covered by Federal Deposit Insurance Corporation (FDIC) Insurance through its financial institution.

Grand Prairie Hotel Development Corporation

At September 30, 2025, the carrying amount and bank balance of the Hotel Development Corporation's deposits included in cash and cash equivalents was \$135,574, respectively. The bank balance was entirely covered by Federal Deposit Insurance Corporation (FDIC) Insurance through its financial institution.

Investments

The City and the Sports Corporation categorize its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value, which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted for identical assets or liabilities in active markets that a government can access at the measurement date).
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

The City has recurring fair value measurements as presented in the table below. The City's investment balances and weighted average maturity of such investments are as follows:

		Fair Value Measurements Using:					
	September 30, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Weighted Average Maturity (Days)	Credit Risk	
Cash	\$ 10,765,266	\$ -	\$ -	\$ -			
Investments measured at amortized cost:							
Investment pools:							
TexPool	19,649,396	-	-	-	1	AAAm	
Investments measured at net asset value (NAV):							
Investment pools:							
TexStar	38,356,634	-	-	-	1	AAAm	
TexasCLASS	53,676,548	-	-	-	1	AAAm	
Investments by fair value level:							
Money market	49,092,303	-	-	-	1	Not rated	
Certificates of deposit	99,691,452	-	-	-	1	Not rated	
U.S. government agency securities:							
US treasuries	14,959,720	-	14,959,720	-	371	Aaa	
Municipal bonds	9,963,800	-	9,963,800	-	32	Various	
FAMCA	74,669,910	-	74,669,910	-	302	Not rated	
FFCB	73,896,735	-	73,896,735	-	312	Aaa/AA+	
FHLB	46,950,185	-	46,950,185	-	451	Aaa/AA+	
FHLMC	3,968,880	-	3,968,880	-	72	Aaa/AA+	
FNMA	-	-	-	-	-	Aaa/AA+	
Total	\$ 495,640,829	\$ -	\$ 224,409,230	\$ -			

The amounts for TexPool, TexStar, and Texas CLASS (pooled investments) are reported as cash equivalents in the Statement of Net Position.

The *TexPool* investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within the investment pool. The investment pool transacts at a net asset value of \$1.00 per share, has weighted average maturities of sixty days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of the portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. The maturity of the City's position in this investment pool is based on the average maturity of the pool's investment. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, a general banking moratorium, or a national state of emergency that affects the pool's liquidity.

The *TexStar* investment pool is an external investment pool measured at NAV. *TexStar*'s strategy is to seek preservation of principal, liquidity, and current income through investment in a diversified portfolio of short-term marketable securities. The City has no unfunded commitments related to the investment pools. *TexStar* has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pool's liquidity.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

The Texas CLASS investments pool was created in accordance with the requirements contained in the section 2256.016 of the Public Funds Investment Act (PFIA). The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and Wells Fargo Bank Texas, N.A., as Custodian.

Texas CLASS is an external investment pool measured at fair value, i.e., net asset value. The investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. There are no unfunded commitments related to the investment pool. Texas CLASS has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. The Texas CLASS portfolio consists of the U.S. Government securities; collateralized repurchase and reverse repurchase agreements; AAA rated money market mutual funds; and commercial paper.

U.S. Government Agency Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Investment Policy

The City is required by Government Code Chapter 2256, the Public Funds Investment Act (Act), to adopt, implement, and publicize an investment policy. That policy must be written, primarily to emphasize safety of principal and liquidity; address 1) investment diversification, yield, and maturity, and 2) the quality and capability of investment management; include a list of the types of authorized investments in which the investing entity's funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

The City Council has adopted investment policies (policies) that are in accordance with the laws of the State of Texas, where applicable. The policies identify authorized investments and investment terms, collateral requirements, safekeeping requirements for collateral and investments and certain investment practices.

The Act requires an annual audit of investment practices. Audit procedures in this area, conducted as part of the audit of the basic financial statements, disclosed that in the areas of investment practices, management reports, and establishing appropriate policies. Authorized investments include obligations of the United States or its agencies and instrumentalities (except for mortgage pass-through securities), repurchase agreements, municipal securities, public funds investment pools, SEC-regulated money market mutual funds, and collateralized or insured certificates of deposit. The City adheres to the requirements of the Act. Additionally, investment practices of the City are in accordance with local policies.

The investment policies require that repurchase agreements be made pursuant to a master agreement, the collateral is a U. S. Treasury bill, note, or bond; the security is held in safekeeping by the City's custodial agent; and the investment is transacted "delivery vs. payment" so that the City's interest in the underlying security is perfected. The City does not invest in reverse repurchase agreements. No City monies were invested in repurchase agreements on September 30, 2025.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Investment Risk

Interest rate risk – In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than twelve months.

Credit risk – State law limits investments in commercial paper if the commercial paper is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state. The City's policy does not allow investments in commercial paper.

Concentration of credit risk – Investments shall be diversified to reduce the risk of loss resulting from over-concentration of investments in a specific maturity, a specific issue, or a specific class of securities.

Grand Prairie Sports Facilities Development

The Corp has recurring fair value measurements as presented in the table below. The Corp's investment balances and weighted average maturity of such investments are as follows:

	September 30, 2025	Fair Value Measurements Using			Weighted Average Maturity (Days)	Credit Risk
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Cash	\$ 95,465	\$ -	\$ -	\$ -		
Investments measured at amortized cost:						
Investment pools:						
TexPool	9,693,756	-	-	-	1	AAAm
Investments by fair value level:						
U.S. government agency securities:						
US treasuries	2,516,455	-	2,516,455	-	457	Aaa
FFCB	1,509,581	-	1,509,581	-	250	Aaa/AA+
FHLB	982,517	-	982,517	-	273	Aaa/AA+
REFCORP	2,557,595	-	2,557,595	-	380	AAA
Total	\$ 17,355,369	\$ -	\$ 7,566,148	\$ -		

The Sports Corporation is authorized to invest in obligations of the U. S. or its agencies and instrumentalities, certain repurchase agreements, municipal securities with a rating of at least A, collateralized or insured certificates of deposit, and SEC-registered, no-load money market mutual funds comprised of securities allowed under the Public Funds Investments Act and public funds investment pools. At year-end, all investments of the Sports Corporation were held by the Sports Corporation's agent in the Sports Corporation's name.

City of Grand Prairie, Texas
Notes to the Basic Financial Statements
September 30, 2025

City and Grand Prairie Sports Facilities Development Investment Portfolio
The asset mix of the City's and Sports Corporation portfolio is expressed in terms of maximum commitment to allow flexibility to take advantage of market conditions. The asset mix requirements are as follows:

	City % Maximum	Sports Corporation % Maximum
1. U.S. Treasury bills and notes	75	75
2. U.S. agency or instrumentality obligations	75	75
3. Repurchase agreements	20	20
4. Municipal securities	40	40
5. Financial institution deposits	75	75
6. Money market mutual fund	40	40
7. Local government investment pool	50	100

a Total agency investments limited to no more than 100% of the total portfolio.

b State law allows up to 80% of the monthly average fund balance, excluding bond proceeds. The City limits its exposure to 50% to reduce risk.

In addition, the City may invest in callable securities, but shall limit the total amount to no more than 50% of the portfolio. The Sports Corporation does not limit callable securities. The City and Sports Corporation did not invest in any securities different from the categories mentioned above during the 2024-2025 fiscal year.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

B. Receivables

At September 30, 2025, receivables, including applicable allowances for uncollectible accounts, consisted of the following:

Governmental Activities	General	Section 8	Grants	Debt Service	Nonmajor Governmental	Internal Service	Total Governmental
Receivables:							
Property taxes	\$ 3,696,375	\$ -	\$ -	\$ 1,875,702	\$ -	\$ -	\$ 5,572,077
Sales taxes	8,509,930	-	-	-	8,484,120	-	16,994,050
Franchise fees	2,255,594	-	-	-	22,276	-	2,277,870
Leases	2,677,226	-	-	-	4,323,406	-	7,000,632
Other	9,565,554	82,450	279,252	-	3,307,898	481	13,235,635
Intergovernmental	602,494	-	22,179	-	-	-	624,673
Total receivables, gross	27,307,173	82,450	301,431	1,875,702	16,137,700	481	45,704,937
Less:							
Allowance for uncollectibles	(4,169,989)	-	-	(255,561)	-	-	(4,425,550)
Total receivables, net	\$ 23,137,184	\$ 82,450	\$ 301,431	\$ 1,620,141	\$ 16,137,700	\$ 481	\$ 41,279,387

Business-Type Activities:	Water Wastewater	Solid Waste	Other Nonmajor	Total Business-Type	Total Business-Type
Receivables:					
Trade accounts	\$ 11,279,284	\$ 1,345,410	\$ 954,563	\$ 13,579,257	\$ 13,579,257
Leases	158,989	-	9,695	168,684	168,684
Other	7,359,570	1,322,317	-	8,681,887	8,681,887
Total receivables, gross	18,797,843	2,667,727	964,258	22,429,828	22,429,828
Less:					
Allowance for uncollectibles	(2,388,839)	(421,189)	(118,429)	(2,928,457)	(2,928,457)
Total receivables, net	\$ 16,409,004	\$ 2,246,538	\$ 845,829	\$ 19,501,371	\$ 19,501,371

Leases-Lessor

The City is a lessor for non-cancelable leases of the right-to-use of land, buildings, and infrastructure for which the City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. The interest rates for the leases approximate 4% annually, and the terms range from 2 to 28 years.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. The City has \$7,170,464 remaining in lease receivables and \$6,865,750 remaining in deferred inflow as of September 30, 2025. The City recorded lease revenue, including interest of \$1,448,267 in the fiscal year.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

As of September 30, 2025, the expected lease receipts through the expiration of all leases for which the City is a lessor is as follows:

Fiscal Year	Governmental Activities Lease Receivables		
	Principal	Interest	Total
2026	876,039	208,510	1,084,549
2027	905,240	181,377	1,086,617
2028	945,449	153,271	1,098,720
2029	839,596	125,326	964,922
2030	812,370	100,527	912,897
2031-2035	2,582,137	175,704	2,757,841
2036	39,801	199	40,000
	<u>\$ 7,000,632</u>	<u>\$ 944,914</u>	<u>\$ 7,945,546</u>

Fiscal Year	Business-Type Activities Lease Receivables		
	Principal	Interest	Total
2026	\$ 78,397	\$ 4,659	\$ 83,056
2027	61,288	2,688	63,976
2028	28,999	1,001	30,000
	<u>\$ 168,684</u>	<u>\$ 8,348</u>	<u>\$ 177,032</u>

Grand Prairie Sports Facilities Development (Sports Corporation) – A Component Unit

At September 30, 2025, receivables of the Sports Corporation, a component unit of the City with business-type activities were as follows:

Component Units	Grand Prairie Sports Facilities Development	Grand Prairie Local Government Corporation
Receivables:		
Trade accounts	\$ 15,286	\$ -
Ground lease	2,924,983	-
Other leases	405,545	-
Other	-	-
Total receivables	<u>\$ 3,345,814</u>	<u>\$ -</u>

The Sports Corporation is a lessor for a non-cancellable ground lease, for which the Corporation recognizes a lease receivable and a deferred inflow of resources in the government-wide financial statements. The interest rate for this lease is 4%, and the term is 34 years, maturing in fiscal year 2041.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

At the commencement of a lease, the Sports Corporation initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. The Sports Corporation has \$405,545 remaining for this lease receivable and \$386,060 remaining in deferred inflow as of September 30, 2025. The Sports Corporation recorded lease revenue from this lease, including interest of \$55,546 in the fiscal year.

As of September 30, 2025, the expected lease receipts through the expiration of this lease are as follows:

Fiscal Year	Sports Corporation Other Lease Receivable		
	Principal	Interest	Total
2026	33,778	16,222	50,000
2027	35,129	14,871	50,000
2028	36,535	13,465	50,000
2029	37,996	12,004	50,000
2030	39,516	10,484	50,000
2031-2035	222,591	27,409	250,000
	<u>\$ 405,545</u>	<u>\$ 94,455</u>	<u>\$ 500,000</u>

On September 15, 1995, the Sports Corporation and LSJC entered into a lease agreement. On October 23, 2002, Lone Star, LSJC, and MEC Lone Star, L.P. (MEC) entered into an asset purchase agreement whereby MEC agreed to purchase substantially all of the racing assets of Lone Star and LSJC. The Master Agreement between the Sports Corporation, Lone Star, and LSJC was terminated. Lone Star and LSJC assigned to MEC all of their rights and obligations under the lease and certain ancillary agreements with the Sports Corporation.

On March 5, 2009, Magna Entertainment Corporation, the parent company of MEC, filed for bankruptcy under Chapter 11 federal bankruptcy protection. Subsequently, on September 14, 2009, Lone Star filed for bankruptcy protection.

On October 23, 2009, an auction for Lone Star was conducted with Global Gaming LSP, L.L.C. (a wholly- owned subsidiary of the Chickasaw Nation) winning the auction for \$47 million.

On May 13, 2011, Global Gaming obtained its license with the Texas Racing Commission. The sale was completed on May 16, 2011. Under the terms of the purchase agreement, Global Gaming has agreed to assume the lease agreement between Lone Star and the Sports Corporation.

The agreement states that upon completion of the project, Global Gaming will lease the facility for a period of thirty years. The lease became effective April 1997 and meets the requirements for accounting as a direct financing purchase.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

The future base rent payments under the lease are as follows:

Year	Amount
2026	1,932,612
2027	1,191,777
	3,124,389
Less interest	(199,406)
Net present value	2,924,983
Less current portion	1,764,587
Non-current portion	\$ 1,160,396

Additional contingent rentals are due monthly based upon 1% of gross revenues from the operation of the track for each month, plus an amount equal to the cumulative net retainage from the live races and the simulcast races multiplied by the following percentage:

Cumulative Net Retainages	Percentage
\$0 to less than \$20 million	1%
\$20 million to less than \$40 million	3%
\$40 million to less than \$60 million	5%
\$60 million or more	7%

The lease has been accounted for as a financed purchase. However, only the base rent payments are determinable and are included in the lease payments receivable at the net present value of future rent payments. The remaining portion of the Facility is recorded as, estimated unguaranteed residual value of the lease. Its fair value is estimated to be approximately equal to the differences between the original cost-plus capitalized improvements of the Facility, net of what accumulated amortization would be, and the fixed lease payments receivable. Therefore, this amount is being amortized over the life of the lease (thirty years).

C. Restricted Assets

At September 30, 2025, restricted assets were restricted for the following purposes:

Purpose	Governmental Activities	Business-Type Activities	Total
Customer deposits	\$ 43,000	\$ 7,513,036	\$ 7,556,036
Debt service	6,796,361	4,170,857	10,967,218
Capital projects	159,561,787	65,583,477	225,145,264
Support services	177,873	-	177,873
Public safety	13,667,638	-	13,667,638
Recreation and leisure	39,796,087	-	39,796,087
Development services	59,065,098	-	59,065,098
Other specific purposes	8,168,831	-	8,168,831
Total restricted assets	\$ 287,276,675	\$ 77,267,370	\$ 364,544,045

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

D. Capital Assets

Capital asset activity for the year ended September 30, 2025 was as follows:

Governmental Activities	Balance October 1, 2024	Additions	Transfers/ Disposals/ Reclassification	Balance September 30, 2025
Assets not being depreciated/amortized:				
Land	\$ 70,008,383	\$ 176,076	\$ (7,251)	\$ 70,177,208
Construction in progress	195,288,455	67,118,178	(80,419,853)	181,986,780
Total assets not being depreciated/amortized	265,296,838	67,294,254	(80,427,104)	252,163,988
Assets being depreciated/amortized:				
Buildings	386,808,839	882,425	16,958,385	404,649,649
Equipment	159,133,594	10,586,688	(1,447,280)	168,273,002
Right to use lease assets- equipment	5,471,332	1,466,439	(586,941)	6,350,830
Right to use assets- SBITA	3,746,963	102,845	(677,469)	3,172,339
Infrastructure	748,164,349	4,284,483	58,819,462	811,268,294
Total assets being depreciated/amortized	1,303,325,077	17,322,880	73,066,157	1,393,714,114
Less accumulated depreciation/amortization for:				
Buildings	(139,407,848)	(13,846,833)	1,460,155	(151,794,526)
Equipment	(115,106,556)	(11,535,310)	3,973,156	(122,668,710)
Right to use lease assets- equipment	(1,907,978)	(596,357)	145,933	(2,358,402)
Right to use assets- SBITA	(1,048,715)	(766,500)	387,175	(1,428,040)
Infrastructure	(462,579,103)	(23,811,729)	855,372	(485,535,460)
Total accumulated depreciation/amortization	(720,050,200)	(50,556,729)	6,821,791	(763,785,138)
Total assets being depreciated/amortized, net	583,274,877	(33,233,849)	79,887,948	629,928,976
Total capital assets, net	\$ 848,571,715	\$ 34,060,405	\$ (539,156)	\$ 882,092,964

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Business-Type Activities	Balance October 1, 2024	Additions	Transfers/ Disposals/ Reclassification	Balance September 30, 2025
Assets not being depreciated/amortized:				
Land	\$ 10,516,096	\$ 119,631	\$ -	\$ 10,635,727
Construction in progress	42,779,648	29,499,765	(3,271,331)	69,008,082
Total assets not being depreciated/amortized	53,295,744	29,619,396	(3,271,331)	79,643,809
Assets being depreciated/amortized:				
Buildings	21,816,481	41,430	1,532,320	23,390,231
Equipment	40,345,358	4,354,217	(1,469,184)	43,230,391
Right to use lease assets- equipment	54,994	1,192,018	(54,994)	1,192,018
Right to use lease assets- SBITA	-	150,703	(106,243)	44,460
Infrastructure	494,638,206	23,714,832	1,145,197	519,498,235
Total assets being depreciated/amortized	556,855,039	29,453,200	1,047,096	587,355,335
Less accumulated depreciation/amortization for:				
Buildings	(12,788,505)	(771,266)	(41,153)	(13,600,924)
Equipment	(24,464,400)	(4,393,827)	1,430,980	(27,427,247)
Right to use lease assets- equipment	(51,992)	(189,589)	54,990	(186,591)
Right to use lease assets- SBITA	-	(124,027)	106,243	(17,784)
Infrastructure	(280,449,944)	(14,761,389)	93,810	(295,117,523)
Total accumulated depreciation/amortization	(317,754,841)	(20,240,098)	1,644,870	(336,350,069)
Total assets being depreciated/amortized, net	239,100,198	9,213,102	2,691,966	251,005,266
Total capital assets, net	\$ 292,395,942	\$ 38,832,498	\$ (579,365)	\$ 330,649,075

Depreciation expense was charged to governmental and business-type activities as follows:

Governmental activities:		Business-type activities:	
Support services	\$ 8,036,610	Water and wastewater	\$ 14,590,591
Public safety services	8,969,121	Solid waste	3,163,442
Recreation and leisure services	11,964,401	Other business-type activities	2,486,065
Development services	21,412,231		
Internal services funds (see note below)	174,366		
Total governmental activities	\$ 50,556,729	Total business-type activities	\$ 20,240,098

Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

At September 30, 2025, a summary of changes in capital assets of the Sports Corporation was as follows:

<u>Sports Corporation</u>	Balance October 1, 2024	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance September 30, 2025
Equipment	\$ 310,078	\$ -	\$ -	\$ 310,078
Less accumulated depreciation	(310,078)	-	-	(310,078)
Total	\$ -	\$ -	\$ -	\$ -

At December 31, 2024, a summary of changes in capital assets of the Housing Finance Corporation was as follows:

<u>Housing Finance Corporation</u>	Balance January 1, 2024	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance December 31, 2024
Non-depreciable capital assets:				
Land	\$ 1,612,851	\$ -	\$ -	\$ 1,612,851
Total non-depreciable capital assets	1,612,851	-	-	1,612,851
Depreciable capital assets:				
Buildings	21,055,024	600,373	(584,812)	21,070,585
Less accumulated depreciation	(12,816,722)	(955,715)	584,812	(13,187,625)
Total depreciable capital assets, net	8,238,302	(355,342)	-	7,882,960
Housing Finance Corporation assets, net	\$ 9,851,153	\$ (355,342)	\$ -	\$ 9,495,811

At September 30, 2025, a summary of changes in capital assets of the Local Government Corporation was as follows:

<u>Local Government Corporation</u>	Balance October 1, 2024	Additions/ Completions	Transfers/ Disposals/ Reclasses	Balance September 30, 2025
Non-depreciable capital assets:				
Land	\$ 16,759,500	\$ -	\$ 471,853	\$ 17,231,353
Construction in progress	471,853	-	(471,853)	-
Total non-depreciable capital assets	17,231,353	-	-	17,231,353
Local Government Corporation assets, total	\$ 17,231,353	\$ -	\$ -	\$ 17,231,353

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

E. Interfund Transactions

Interfund Receivables and Payables

Advances between funds are accounted for in the appropriate interfund receivable and payable accounts and are reported as "due to/from" other funds. There were no interfund receivables and payables balances at September 30, 2025.

Cost Reimbursements

The cost of the City's central general and administrative services is allocated to the designated special revenue and enterprise funds. These costs are reported as interfund services provided and used rather than interfund transfers. Interfund services provided and used are arms-length transactions between departments or funds that would be treated as revenues, expenditures or expenses if they were with an external organization. The distinguishing aspect of interfund services provided and used is that each department or fund both gives and receives consideration.

Cost reimbursements for general and administrative services (indirect costs) are recorded as general and administrative revenue in the City's General Fund. Indirect costs are recorded as general and administrative expenses in the funds receiving these services.

For the year ended September 30, 2025, cost reimbursements were as follows:

<u>Fund</u>	<u>Amount</u>
Water and wastewater funds	\$ 5,138,301
Solid waste funds	565,497
Storm water funds	166,154
Airport fund	72,045
Other nonmajor governmental funds	<u>354,640</u>
Total to general fund	<u>\$ 6,296,637</u>

Franchise Fees

The City's enterprise funds, which use public right-of-way, pay franchise fees to the General Fund as if they were organizations separate from the City. These fees are not taxes but are compensation to the City for the use of the City's right-of-way. These payments, 4% of gross revenues, are reported as interfund services provided and used rather than interfund transfers and are reported as revenue (franchise fees) in the General Fund and expenses in the enterprise funds.

For the year ended September 30, 2025, franchise fees paid to the General Fund were as follows:

<u>Fund</u>	<u>Amount</u>
Water and wastewater funds	\$ 4,229,142
Solid waste funds	493,721
Storm water funds	<u>336,986</u>
Total	<u>\$ 5,059,849</u>

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Interfund Transfers

Interfund transfers are made to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, 3) move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, and 4) make payments in lieu of property taxes.

Two of the City's enterprise funds, the Water and Wastewater Fund and the Solid Waste Fund, make payments in lieu of property taxes to the Street Maintenance Fund, which is a Nonmajor Governmental Fund to provide funding for street repairs. The payments are calculated by applying the City's property tax rate to the net book value of the enterprise funds' capital assets. Since the calculation methodology is not the same as that applied to similar activities in the private sector in several respects, these payments are recorded as transfers in/out rather than as operating revenues/expenses.

At September 30, 2025, transfers between the City's governmental activities and the City's business-type activities consisted of the following:

Transfers Out	Transfers In					
	General Fund	Section 8 Fund	Streets CIP Fund	Grants Fund	Debt Service Fund	EPIC CIP Fund
General fund	\$ -	\$ -	\$ -	\$ 265,015	\$ -	\$ -
Streets CIP fund	-	-	-	3,700,000	-	-
Grants fund	130,632	-	-	-	-	-
Debt service fund	-	-	-	-	-	-
Epic CIP Fund	-	-	-	-	-	-
Nonmajor governmental funds	135,167	-	-	43,720	3,362,292	5,850,000
Internal service funds	-	-	-	-	-	-
Water & wastewater fund	-	-	-	-	-	-
Solid waste fund	-	-	-	-	-	-
Nonmajor enterprise funds	-	-	-	-	-	-
Total	\$ 265,799	\$ -	\$ -	\$ 4,008,735	\$ 3,362,292	\$ 5,850,000

Transfers out	Transfers In					
	Nonmajor Governmental Funds	Water Wastewater Fund	Solid Waste Fund	Other Nonmajor Enterprise Funds	Internal Service Fund	Total
General fund	\$ 9,525,139	\$ -	\$ -	\$ -	\$ -	\$ 9,790,154
Streets CIP fund	288,923	-	-	-	-	3,988,923
Grants fund	344,190	-	-	-	-	474,822
Debt service fund	-	-	-	-	-	-
Epic CIP Fund	-	-	-	-	-	-
Nonmajor governmental funds	6,674,383	16,000	105,500	-	-	16,187,062
Internal service funds	-	-	-	422,768	-	422,768
Water & wastewater fund	1,595,951	-	-	-	-	1,595,951
Solid waste fund	364,855	-	-	-	-	364,855
Nonmajor enterprise funds	4,563,592	-	-	-	-	4,563,592
Total	\$ 23,357,033	\$ 16,000	\$ 105,500	\$ 422,768	\$ -	\$ 37,388,127

Significant transfers consist of funding for various operations, pooled cash coverage, capital projects, infrastructure needs, IT acquisitions, payments in lieu of taxes, repayments of interfund loans, and grant matching requirements.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

F. Deferred Outflows/Inflows of Resources

Deferred Inflows of Resources - Unavailable Revenue

The governmental funds report unavailable revenues from the following sources:

	General Fund	Debt Service Fund	Total
Property taxes	\$ 3,519,001	\$ 1,579,960	\$ 5,098,961
Ambulance	1,397,444	-	1,397,444
Total	\$ 4,916,445	\$ 1,579,960	\$ 6,496,405

In the Government-Wide Statement of Activities, these amounts were reported as revenue in the period in which they were earned.

G. Unearned Revenue

Unearned revenue is a liability for resources obtained prior to revenue recognition. Below is a summary of the City's unearned revenue as of September 30, 2025.

	Governmental Activities	Business-Type Activities	Total
Prepaid pipeline lease	\$ 488,380	\$ 69,847	\$ 558,227
Prepaid arrangements - Cemetery fund	2,925,601	-	2,925,601
Unspent grant funds - Texas Water Development Board	-	631,175	631,175
Prepaid rental deposits - parks	218,993	-	218,993
Park venue fund deposits on events to be held	21,028	-	21,028
Unspent grant funding	373,979	-	373,979
Total unearned revenue	\$ 4,027,981	\$ 701,022	\$ 4,729,003

H. Long-Term Obligations

Compensated Absences and Postemployment Benefits

Governmental activities record liabilities for compensated absences and retiree post-employment costs at the government-wide financial statement level. Generally, these liabilities are paid from the General Fund. Liabilities for business-type activities are recorded and liquidated in the fund that incurs the liability.

Long-Term Debt

Governmental Activities

Long-term debt in the governmental activities column of the government-wide Statement of Net Position consists of general obligation bonds (including refunding), certificates of obligation bonds, sales tax revenue bonds, and unamortized bond premiums/discounts.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

General obligation bonds and certificates of obligation provide funds for the acquisition and construction of capital equipment and facilities. General obligation bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the City. General obligation bonds and certificates of obligation require the City to compute, at the time other taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity.

Below is a summary of the changes in noncurrent liabilities of the City's primary government and component units:

	Balance October 1, 2024	Borrowings or Increase	Payments or Decrease	Balance September 30, 2025	Due Within One Year
Primary government:					
Governmental activities:					
General obligation bonds	\$ 135,898,000	\$ -	\$ (11,307,000)	\$ 124,591,000	\$ 12,340,000
Tax notes	8,473,000	-	(8,473,000)	-	-
Combination tax and revenue certificates of obligation	279,960,000	81,580,000	(15,440,000)	346,100,000	18,850,000
Tax increment and public improvement district bonds	80,000	-	(80,000)	-	-
General obligation pension bonds	70,885,000	-	(3,710,000)	67,175,000	4,035,000
Sales tax revenue bonds - Epic	65,505,000	-	(3,295,000)	62,210,000	3,420,000
Sales tax revenue bonds - Park Venue	9,855,040	-	(2,360,000)	7,495,040	2,450,000
Issuance premiums/discounts, net	32,624,279	7,099,694	(2,800,565)	36,923,408	-
Total long-term debt	603,280,319	88,679,694	(47,465,565)	644,494,448	41,095,000
Compensated absences	25,530,310	21,466,000	(12,487,931)	34,508,379	12,140,576
Other post-employment benefits liability	58,256,817	9,228,099	-	67,484,916	-
Net pension liability	20,630,646	-	(13,188,855)	7,441,791	-
Lease liabilities	3,692,881	2,234,503	(2,071,006)	3,856,378	865,459
SBITA liabilities	2,579,820	94,906	(949,444)	1,725,282	676,608
Environmental remediation liability	715,237	1,146,806	(69,337)	1,792,706	1,792,706
Other liabilities	1,950,040	-	(877,718)	1,072,322	678,882
Total governmental activities	716,636,070	122,850,008	(77,109,856)	762,376,222	57,249,231
Business-type activities:					
Water and wastewater revenue bonds	35,890,000	27,870,000	(5,500,000)	58,260,000	5,180,000
Issuance premiums/discounts, net	2,694,960	2,549,200	(405,727)	4,838,433	-
Total long-term debt	38,584,960	30,419,200	(5,905,727)	63,098,433	5,180,000
Compensated absences	667,187	3,104,664	(1,139,957)	2,631,894	1,139,761
Other post-employment benefits liability	6,329,455	903,206	-	7,232,661	-
Net pension liability	2,241,468	-	(1,443,898)	797,570	-
Lease liabilities	8,287	1,145,833	(142,087)	1,012,033	253,851
SBITA liabilities	-	27,798	-	27,798	8,475
Closure and post-closure liability	11,191,467	556,589	-	11,748,056	-
Total business-type activities	59,022,824	36,157,290	(8,631,669)	86,548,445	6,582,087
Total primary government	\$ 775,658,894	\$ 159,007,298	\$ (85,741,525)	\$ 848,924,667	\$ 63,831,318
Component unit activities:					
Housing Finance Corporation:					
Note Payable	\$ 3,785,145	\$ -	\$ (74,916)	\$ 3,710,229	\$ 78,069
Total Housing Finance Corporation	3,785,145	-	(74,916)	3,710,229	78,069
Total component units	\$ 3,785,145	\$ -	\$ (74,916)	\$ 3,710,229	\$ 78,069

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

At September 30, 2025, long-term debt for the City's governmental activities consisted of the following:

	Interest Rate %	Year of Issue	Year of Maturity	Original Amount	Amount Outstanding
General obligation bonds:					
Series 2012	1.0-2.0	2012	2026	27,400,000	\$ 735,000
Series 2015	1.75-5.0	2016	2027	10,270,000	-
Series 2016	3.0-5.0	2016	2030	33,810,000	10,010,000
Series 2019	5.00	2020	2031	19,475,000	5,210,000
Series 2021	0.969-4.0	2021	2041	66,945,000	60,625,000
Series 2022A	2.0	2022	2034	17,136,000	14,245,000
Series 2022B	2.02	2022	2034	8,215,000	7,428,000
Series 2022C	2.04	2022	2035	19,023,000	18,803,000
Series 2022	5.15-6.00	2022	2043	8,000,000	7,535,000
Total general obligation bonds					124,591,000
General obligation pension bonds					
Series 2022	3.1-4.4	2022	2031	77,515,000	67,175,000
Total general obligation pension bonds					67,175,000
Tax Notes					
Series 2024	3.98	2024	2025	8,473,000	-
Total tax notes					-
Combination tax and revenue certificates of obligation					
Series 2014	3.0-5.0	2015	2034	26,125,000	-
Series 2015	2.0-5.0	2016	2035	27,380,000	-
Series 2016	2.0-4.0	2016	2036	33,705,000	20,640,000
Series 2017	2.25-5.0	2017	2037	36,515,000	14,825,000
Series 2018	2.0-4.0	2018	2039	40,605,000	29,175,000
Series 2019A	2.0-5.0	2019	2039	34,910,000	24,145,000
Series 2019B	1.5-3.0	2019	2034	34,305,000	24,805,000
Series 2021	2.0-4.5	2021	2041	23,215,000	20,885,000
Series 2021A	0.969-4.0	2021	2036	16,935,000	14,590,000
Series 2022	2.0-4.0	2022	2036	24,255,000	21,250,000
Series 2023	4.0-5.0	2023	2043	46,000,000	43,135,000
Series 2024	5.0	2024	2043	52,775,000	51,070,000
Series 2025	5.0	2025	2044	43,475,000	43,475,000
Series 2025A	5.0	2025	2045	38,105,000	38,105,000
Total combination tax and revenue certificates of obligation					346,100,000
Tax increment and public improvement district debt					
Series 2015 PID 5	2.0-5.0	2016	2035	640,000	-
Total tax increment and public improvement district debt					-
Series 2009 Park Venue subordinate	3.77	2009	2027	13,390,000	1,885,040
Series 2013 Park Venue	2.0-4.0	2013	2027	11,060,000	985,000
Series 2016 Park Venue	2.0-4.0	2016	2036	6,730,000	4,625,000
Total Park Venue					7,495,040
Sales tax revenue debt					
Series 2015 EPIC	3.721-5.032	2015	2040	74,825,000	2,785,000
Series 2022 Sales Tax Refunding	2.1-3.0	2022	2037	61,550,000	59,425,000
Total EPIC					62,210,000
Total general obligation debt					607,571,040
Unamortized bond premiums/discounts					36,923,408
Total long-term debt - governmental activities					\$ 644,494,448

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

At September 30, 2025, changes in long-term debt for the City's governmental activities were as follows:

	Balance October 1, 2024	Borrowings or Increase	Payments or Decrease	Balance September 30, 2025	Due Within One Year
General obligation bonds:					
Series 2012	\$ 1,445,000	\$ -	\$ (710,000)	\$ 735,000	\$ 735,000
Series 2015	970,000	-	(970,000)	-	-
Series 2016	12,815,000	-	(2,805,000)	10,010,000	2,960,000
Series 2019	6,460,000	-	(1,250,000)	5,210,000	855,000
Series 2021	63,840,000	-	(3,215,000)	60,625,000	3,295,000
Series 2022A	15,650,000	-	(1,405,000)	14,245,000	1,278,000
Series 2022B	8,129,000	-	(701,000)	7,428,000	710,000
Series 2022C	18,814,000	-	(11,000)	18,803,000	2,257,000
Series 2022	7,775,000	-	(240,000)	7,535,000	250,000
Total general obligation bonds	135,898,000	-	(11,307,000)	124,591,000	12,340,000
General obligation pension bonds:					
Series 2022	70,885,000	-	(3,710,000)	67,175,000	4,035,000
	70,885,000	-	(3,710,000)	67,175,000	4,035,000
Tax Notes					
Series 2024 - Tax Anticipation Note	8,473,000	-	(8,473,000)	-	-
Total tax notes	8,473,000	-	(8,473,000)	-	-
Combination tax and revenue certificates of obligation					
Series 2015	1,560,000	-	(1,560,000)	-	-
Series 2016	22,135,000	-	(1,495,000)	20,640,000	1,540,000
Series 2017	15,745,000	-	(920,000)	14,825,000	965,000
Series 2018	30,655,000	-	(1,480,000)	29,175,000	1,550,000
Series 2019A	25,430,000	-	(1,285,000)	24,145,000	1,350,000
Series 2019B	27,250,000	-	(2,445,000)	24,805,000	2,500,000
Series 2021	21,865,000	-	(980,000)	20,885,000	1,020,000
Series 2021A	15,785,000	-	(1,195,000)	14,590,000	1,220,000
Series 2022	22,155,000	-	(905,000)	21,250,000	940,000
Series 2023	44,605,000	-	(1,470,000)	43,135,000	1,545,000
Series 2024	52,775,000	-	(1,705,000)	51,070,000	1,795,000
Series 2025	-	43,475,000	-	43,475,000	-
Series 2025A	-	38,105,000	-	38,105,000	4,425,000
Total combination tax and revenue certificates of obligation	279,960,000	81,580,000	(15,440,000)	346,100,000	18,850,000
Tax increment and public improvement district debt					
Series 2015 PID 5	80,000	-	(80,000)	-	-
Total tax increment and public improvement district debt	80,000	-	(80,000)	-	-
Park Venue					
Series 2009 subordinate	3,170,040	-	(1,285,000)	1,885,040	1,335,000
Series 2013	1,795,000	-	(810,000)	985,000	770,000
Series 2016 Park Venue	4,890,000	-	(265,000)	4,625,000	345,000
Total Park Venue	9,855,040	-	(2,360,000)	7,495,040	2,450,000
EPIC					
Series 2015 EPIC	5,465,000	-	(2,680,000)	2,785,000	2,785,000
Series 2022 Sales Tax Revenue Refunding	60,040,000	-	(615,000)	59,425,000	635,000
Total EPIC	65,505,000	-	(3,295,000)	62,210,000	3,420,000
Total change in long term debt	570,656,040	81,580,000	(44,665,000)	607,571,040	41,095,000
Unamortized bond premiums/discounts	32,624,279	7,099,694	(2,800,565)	36,923,408	-
Total change in long-term debt - governmental activities	\$ 603,280,319	\$ 88,679,694	\$ (47,465,565)	\$ 644,494,448	\$ 41,095,000

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

In November 2024, the City reissued the General Obligation Refunding Bonds, Series 2022C, to convert them from taxable to tax-exempt status. This action reduced the all-in interest cost and effectively lowered the interest rate from approximately 2.04% to 1.60%, generating estimated borrowing cost savings of approximately \$446,000 over the remaining term to maturity.

In February 2025, the City issued \$43,475,000 of Combination Tax and Revenue Certificates of Obligation, Series 2025. Proceeds were used to finance capital improvements across multiple service areas, including street and thoroughfare improvements; public safety facility improvements (including a new emergency operations center); parks and recreation equipment and facilities; acquisition of vehicles and equipment; acquisition and installation of technology equipment and enterprise financial and human resources software; and other municipal facility improvements such as HVAC repair and replacement, roof replacement, generators, lighting, landscaping, signage, and electric vehicle charging infrastructure.

In September 2025, the City issued \$38,105,000 of Combination Tax and Revenue Certificates of Obligation, Series 2025A, to support the FY 2025-2026 Capital Improvement Program. Proceeds were used to finance street and thoroughfare improvements (including Goodland Parkway and Miller Road); technology and software improvements, including a portion of Phase 2 of the Enterprise Resource Planning (ERP) replacement; public safety communications and recording system improvements; and fleet and equipment needs, including a fire engine replacement.

Outstanding Bond Debt Defeasement

At September 30, 2025, the City has no defeased debt.

At September 30, 2025, the aggregate debt service payments for long-term debt through the final year of maturity for the City's governmental activities were as follows:

Fiscal Year	General Obligation Bonds			Certificates of Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 12,340,000	\$ 2,934,648	\$ 15,274,648	\$ 18,850,000	\$ 14,824,789	\$ 33,674,789
2027	12,666,000	2,605,303	15,271,303	17,505,000	13,218,880	30,723,880
2028	10,394,000	2,304,517	12,698,517	18,245,000	12,480,040	30,725,040
2029	10,479,000	2,037,302	12,516,302	19,035,000	11,708,373	30,743,373
2030	9,234,000	1,802,849	11,036,849	19,815,000	10,911,484	30,726,484
2031	9,071,000	1,606,223	10,677,223	20,625,000	10,101,212	30,726,212
2032	8,358,000	1,429,026	9,787,026	21,460,000	9,273,848	30,733,848
2033	8,544,000	1,266,438	9,810,438	22,295,000	8,428,234	30,723,234
2034	7,899,000	1,102,493	9,001,493	23,175,000	7,550,607	30,725,607
2035	6,126,000	952,470	7,078,470	20,975,000	6,678,276	27,653,276
2036	4,375,000	826,165	5,201,165	21,840,000	5,802,827	27,642,827
2037	4,500,000	703,871	5,203,871	18,895,000	4,956,725	23,851,725
2038	4,630,000	571,044	5,201,044	18,100,000	4,183,000	22,283,000
2039	4,765,000	433,806	5,198,806	18,875,000	3,406,825	22,281,825
2040	4,910,000	291,850	5,201,850	14,610,000	2,697,375	17,307,375
2041	5,055,000	144,958	5,199,958	15,245,000	2,057,250	17,302,250
2042	605,000	53,251	658,251	14,350,000	1,403,200	15,753,200
2043	640,000	18,080	658,080	13,405,000	758,200	14,163,200
2044	-	-	-	6,120,000	287,000	6,407,000
2045	-	-	-	2,680,000	67,000	2,747,000
	<u>\$ 124,591,000</u>	<u>\$ 21,084,294</u>	<u>\$ 145,675,294</u>	<u>\$ 346,100,000</u>	<u>\$ 130,795,145</u>	<u>\$ 476,895,145</u>

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Fiscal Year	Sales Tax Revenue Bonds-Park Venue			Sales Tax Revenue Bonds-EPIC		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 2,450,000	\$ 212,693	\$ 2,662,693	\$ 3,420,000	\$ 1,643,532	\$ 5,063,532
2027	1,120,040	165,638	1,285,678	3,535,000	1,529,168	5,064,168
2028	370,000	142,438	512,438	3,645,000	1,421,468	5,066,468
2029	385,000	127,338	512,338	3,740,000	1,327,523	5,067,523
2030	400,000	111,638	511,638	3,820,000	1,246,233	5,066,233
2031	420,000	95,238	515,238	3,905,000	1,159,305	5,064,305
2032	435,000	78,138	513,138	3,995,000	1,066,458	5,061,458
2033	455,000	60,338	515,338	4,100,000	967,268	5,067,268
2034	470,000	43,600	513,600	4,205,000	861,353	5,066,353
2035	485,000	28,081	513,081	4,315,000	748,435	5,063,435
2036	505,000	10,100	515,100	4,435,000	628,093	5,063,093
2037	-	-	-	4,565,000	500,951	5,065,951
2038	-	-	-	4,700,000	365,400	5,065,400
2039	-	-	-	4,840,000	222,300	5,062,300
2040	-	-	-	4,990,000	74,850	5,064,850
	<u>\$ 7,495,040</u>	<u>\$ 1,075,240</u>	<u>\$ 8,570,280</u>	<u>\$ 62,210,000</u>	<u>\$ 13,762,337</u>	<u>\$ 75,972,337</u>

Fiscal Year	Pension Bonds			Total		
	Principal	Interest	Total	Principal	Interest	Total
2026	4,035,000	2,525,647	6,560,647	41,095,000	22,141,309	63,236,309
2027	4,380,000	2,384,821	6,764,821	39,206,040	19,903,810	59,109,850
2028	4,135,000	2,240,308	6,375,308	36,789,000	18,588,771	55,377,771
2029	4,460,000	2,092,039	6,552,039	38,099,000	17,292,575	55,391,575
2030	4,805,000	1,929,192	6,734,192	38,074,000	16,001,396	54,075,396
2031	5,165,000	1,749,950	6,914,950	39,186,000	14,711,928	53,897,928
2032	5,555,000	1,551,845	7,106,845	39,803,000	13,399,315	53,202,315
2033	5,970,000	1,330,734	7,300,734	41,364,000	12,053,012	53,417,012
2034	6,420,000	1,083,458	7,503,458	42,169,000	10,641,511	52,810,511
2035	6,900,000	809,334	7,709,334	38,801,000	9,216,596	48,017,596
2036	7,415,000	506,488	7,921,488	38,570,000	7,773,673	46,343,673
2037	7,935,000	173,737	8,108,737	35,895,000	6,335,284	42,230,284
2038	-	-	-	27,430,000	5,119,444	32,549,444
2039	-	-	-	28,480,000	4,062,931	32,542,931
2040	-	-	-	24,510,000	3,064,075	27,574,075
2041	-	-	-	20,300,000	2,202,208	22,502,208
2042	-	-	-	14,955,000	1,456,451	16,411,451
2043	-	-	-	14,045,000	776,280	14,821,280
2044	-	-	-	6,120,000	287,000	6,407,000
2045	-	-	-	2,680,000	67,000	2,747,000
	<u>\$ 67,175,000</u>	<u>\$ 18,377,553</u>	<u>\$ 85,552,553</u>	<u>\$ 607,571,040</u>	<u>\$ 185,094,569</u>	<u>\$ 792,665,609</u>

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Business-Type Activities

Long-term debt in the business-type activities column of the government-wide Statement of Net Position consists of water and wastewater system revenue bonds and unamortized bond premiums/discounts. Bonds issued for business-type activities are secured by a pledge of the property tax levy of the City, but are self-supporting obligations that are paid from the respective net revenues of each activity. Bond proceeds are used to fund additions and improvements to the City's water and wastewater system.

At September 30, 2025, long-term debt for the City's business-type activities consisted of the following:

	<u>Interest Rate %</u>	<u>Year of Issue</u>	<u>Year of Maturity</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
Water and wastewater:					
Revenue bonds					
Series 2010	0.0-2.587	2010	2030	\$ 4,995,000	\$ 1,545,000
Series 2013	2.0-4.0	2013	2026	14,045,000	375,000
Series 2014	0.0-1.990	2014	2030	4,000,000	1,325,000
Series 2015	2.25-4.0	2015	2027	4,155,000	980,000
Series 2016	2.0-5.0	2016	2036	17,625,000	8,135,000
Series 2017	0.0-0.8	2017	2030	5,110,000	1,990,000
Series 2017A	2.0-4.0	2017	2036	2,755,000	1,990,000
Series 2019	0.0-0.49	2019	2039	3,180,000	2,220,000
Series 2020	5.0	2020	2031	4,290,000	1,425,000
Series 2022	4.0-5.0	2022	2043	10,765,000	10,405,000
Series 2025	5.0	2025	2044	18,330,000	18,330,000
Series 2025A	5.0	2025	2045	9,540,000	9,540,000
Total bonds payable - water wastewater					58,260,000
Unamortized bond premiums/discounts					4,838,433
Total long-term debt - business-type activities					\$ 63,098,433

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

At September 30, 2025, changes in long-term debt for the City's business-type activities were as follows:

	Balance October 1, 2024	Borrowings or Increase	Payments or Decrease	Balance September 30, 2025	Due Within One Year
Water and wastewater:					
Revenue bonds					
Series 2010	\$ 1,825,000	\$ -	\$ (280,000)	\$ 1,545,000	\$ 290,000
Series 2013	1,890,000	-	(1,515,000)	375,000	375,000
Series 2014	1,580,000	-	(255,000)	1,325,000	255,000
Series 2015	1,435,000	-	(455,000)	980,000	480,000
Series 2016	9,810,000	-	(1,675,000)	8,135,000	1,765,000
Series 2017	2,380,000	-	(390,000)	1,990,000	395,000
Series 2017A	2,200,000	-	(210,000)	1,990,000	220,000
Series 2019	2,380,000	-	(160,000)	2,220,000	155,000
Series 2020	1,625,000	-	(200,000)	1,425,000	210,000
Series 2022	10,765,000	-	(360,000)	10,405,000	375,000
Series 2025	-	18,330,000	-	18,330,000	550,000
Series 2025A	-	9,540,000	-	9,540,000	110,000
Total revenue bonds	35,890,000	27,870,000	(5,500,000)	58,260,000	5,180,000
Bond premiums/discounts	2,694,960	2,549,200	(405,727)	4,838,433	-
Total change in long-term debt - business-type activities	\$ 38,584,960	\$ 30,419,200	\$ (5,905,727)	\$ 63,098,433	\$ 5,180,000

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

At September 30, 2025, the aggregate debt service payments for long-term debt through the final year of maturity for the City's water and wastewater system were as follows:

Fiscal Year	Water and Wastewater System Revenue Bonds		
	Principal	Interest	Total
2026	\$ 5,180,000	\$ 2,287,686	\$ 7,467,686
2027	5,225,000	2,182,218	7,407,218
2028	3,705,000	2,019,060	5,724,060
2029	3,840,000	1,881,151	5,721,151
2030	3,590,000	1,744,328	5,334,328
2031	2,710,000	1,617,591	4,327,591
2032	2,545,000	1,500,718	4,045,718
2033	2,665,000	1,385,174	4,050,174
2034	2,485,000	1,269,850	3,754,850
2035	2,600,000	1,154,829	3,754,829
2036	2,725,000	1,037,019	3,762,019
2037	2,330,000	926,745	3,256,745
2038	2,440,000	821,332	3,261,332
2039	2,545,000	710,730	3,255,730
2040	2,500,000	595,263	3,095,263
2041	2,625,000	474,488	3,099,488
2042	2,745,000	347,888	3,092,888
2043	2,880,000	214,706	3,094,706
2044	2,175,000	91,875	2,266,875
2045	750,000	18,750	768,750
Total	\$ 58,260,000	\$ 22,281,401	\$ 80,541,401

Water and Wastewater System Debt Service Coverage

The following covenants are included in the various water and wastewater system revenue bond indenture ordinances:

- Net revenues (defined as gross revenues less expenses of operation and maintenance) are pledged for the payment of bond principal and interest.
- Additional water and wastewater system revenue bonds cannot be issued unless the "net earnings" (defined as gross revenues after deducting the expenses of operation and maintenance, excluding depreciation and certain other items specified in the ordinances) of the system for twelve consecutive months out of the fifteen months prior to the date of such bonds is equal to at least 1.25 times the average annual requirements for the payment of principal and interest on the then-outstanding bonds and any additional bonds then proposed to be issued.
- All revenues derived from the operations must be kept separate from other funds of the City.
- The amount required to meet interest and principal payments falling due on or before the next maturity dates of the bonds are to be paid into the water and wastewater system interest and redemption account during each year.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

At September 30, 2025, compliance with these covenants can be demonstrated as follows:

System revenue ⁽¹⁾	\$ 121,318,264
Operating expenses:	
Water purchased	21,422,057
Sewage disposal contract	24,437,805
Other operating expenses	<u>39,052,840</u>
Total expenses ⁽²⁾	<u>84,912,702</u>
Net revenue (available for debt service)	<u>\$ 36,405,562</u>
Average annual principal and interest requirements, all water and wastewater revenue bonds at September 30, 2025	\$ 4,027,070
Coverage of average annual requirements based on September 30, 2025 revenue available for debt service	9.04

(1) Includes operating revenues, plus investment income and impact fees

(2) Excludes depreciation expense.

Grand Prairie Housing Finance Corporation

The GPHFC has a general obligation note payable to a bank that was used to construct the Cotton Creek and Willow Tree Learning Center. The note bears a rate of 4.25% and is payable in equal monthly installments of \$12,438 through September 21, 2040.

In December 2003, the HFC issued Independent Senior Living Center Revenue Bonds for \$13,890,000 to finance the construction and operations of its planned Senior Living Center facility. The bonds bear interest rates from 7.5% to 7.75%, depending on longevity. Beginning January 1, 2011, semi-annual retirements of the Bonds began and continue through January 1, 2034. The bonds are non-recourse liabilities collateralized solely by the land and construction in progress, less the accrued interest.

A summary of long-term debt activity during the year ended December 31, 2024 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Note payable	\$ 1,785,145	\$ -	\$ (74,916)	\$ 1,710,229	\$ 78,069
City Note	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>
Total	<u>\$ 3,785,145</u>	<u>\$ -</u>	<u>\$ (74,916)</u>	<u>\$ 3,710,229</u>	<u>\$ 78,069</u>

Effective July 1, 2010, the bonds of the Senior Living Center were reissued in two series: \$8,630,000 in Priority Lien Revenue Bonds and \$4,550,000 in Subordinate Lien Revenue Bonds. During the fiscal year, both the priority and subordinate bonds were repurchased. The repurchases were funded through operating funds, a grant from the City, and a \$2,000,000 promissory note payable to the City in annual payments beginning in 2027 with interest at 3.75%.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Future maturities of the debt are as follows:

Year Ending December 31,	Note Payable		Revenue Bonds	
	Principal	Interest	Principal	Interest
2025	78,069	71,187	-	66,467
2026	81,453	67,804	-	68,544
2027	84,983	64,273	47,343	61,021
2028	88,666	60,590	316,832	53,026
2029	90,115	59,141	1,635,825	189,100
2030-2034	512,057	234,223	-	-
2035-2039	631,865	114,415	-	-
2040	143,021	6,146	-	-
Total	\$ 1,710,229	\$ 677,779	\$ 2,000,000	\$ 438,158

Leases- Lessee

The City has entered into multiple lease agreements as lessee for the right-to-use land, building, and equipment over the term of the lease. The City is required to make periodic payments at its incremental borrowing rate or the interest rate stated or implied within the leases. Effective October 1, 2022, the City implemented GASB Statement No. 87, Leases. At the implementation of this statement, the City initially measured the lease liability at the present value of payments expected to be made during the remaining lease term.

The City's lessee arrangements incur interest at rates of approximately 4% annually; all of which are accounted for within the City's governmental and business-type activities. All such arrangements range between 3 and 20 years in length.

The annual debt service requirement to amortize the other lease liabilities outstanding at September 30, 2025, is as follows:

Fiscal Year	Governmental Activities Lease Liabilities		
	Principal	Interest	Total
2026	\$ 865,459	\$ 141,629	\$ 1,007,088
2027	764,215	112,540	876,755
2028	678,251	86,952	765,203
2029	439,494	61,806	501,300
2030	457,079	44,221	501,300
2031-2035	651,880	44,497	696,377
	\$ 3,856,378	\$ 491,645	\$ 4,348,023

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Fiscal Year	Business Type Lease Liabilities		
	Principal	Interest	Total
2026	\$ 253,851	\$ 22,973	\$ 276,824
2027	251,925	16,541	268,466
2028	252,073	10,237	262,310
2029	212,314	3,811	216,125
2030	41,870	194	42,064
	<u>\$ 1,012,033</u>	<u>\$ 53,756</u>	<u>\$ 1,065,789</u>

Subscription Based Information Technology Arrangements (SBITA)

The City has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The City is required to make monthly, quarterly, or annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term, and ending subscription liability are as follows:

	Interest Rate(s)	SBITA Term in Years	Ending Balance
Governmental activities SBITA	2.31-4.32%	3	\$ 1,725,281
Business-type activities- SBITA	2.31-4.32%	3	<u>27,799</u>
Total SBITA			\$ 1,753,080

The future principal and interest SBITA payments as of the fiscal year end are as follows:

Fiscal Year Ending	Principal	Interest	Total
2026	\$ 676,607	\$ 54,266	\$ 730,873
2027	677,183	33,465	710,648
2028	<u>371,491</u>	<u>12,913</u>	<u>384,404</u>
Total governmental activities	\$ 1,725,281	\$ 100,644	\$ 1,825,925

The value of the subscription assets as of the end of the current fiscal year was \$6,444,803 and had accumulated amortization of \$2,398,667.

Closure and Post-Closure Liability

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfills stop accepting waste, the City reports that a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The City follows the provisions of GASB Statement No. 18 Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs. Accordingly, the City has recorded a closure and post-closure care liability of \$11,748,056 in the Solid Waste Fund. The total liability represents the cumulative amount reported to date based on the use of 56.07% of the estimated capacity of the landfill.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

The City will recognize the remaining estimated cost of closure and post-closure care of \$8,511,075 as the remaining estimated capacity is filled. The City expects to close the landfill in the year 2037. Actual cost may be higher or lower due to inflation, changes in technology, or changes in regulations.

Environmental Remediation Obligations

The City has recorded liabilities related to environmental remediation in the amount of \$1,820,947 in the Statement of Net Position. The estimates of the liabilities are prepared by the Environmental Professional Group and by the City's Environmental Quality Manager, and based on a range of expected outlays, net of expected cost recoveries, if any, for the type and amount of pollution contamination detected. The estimates are reviewed and adjusted periodically for price changes, additional contamination, and any other changes detected.

The City owns the buildings listed in the environmental remediation liability table and is responsible for the asbestos abatement.

Environmental remediation liability activity for the primary government in fiscal year 2025 was as follows:

Property Description	Beginning Balance 9/30/2024	Additions	Reductions	Ending Balance 9/30/2025	Current Portion
Copeland Home Asbestos Abatement	\$ 20,900	\$ -	\$ -	\$ 20,900	\$ 20,900
630 W. Main Street	41,096	-	(41,096)	-	-
Calvary Church - Phase 2	-	384,260	-	384,260	384,260
Calvary Church - Phase 3	-	762,546	-	762,546	762,546
Gun Range	625,000	-	-	625,000	625,000
600 NE 8th Street	28,241	-	(28,241)	-	-
Total	<u>\$ 715,237</u>	<u>\$ 1,146,806</u>	<u>\$ (69,337)</u>	<u>\$ 1,792,706</u>	<u>\$ 1,792,706</u>

Other Liabilities

Sales Tax Payback

During fiscal year 2008, the Texas Comptroller of Public Accounts notified the City of an error in sales tax payments made to the City. The error was the result of a local business reporting and paying taxes incorrectly to the State Comptroller over several years. The overpayment by the business resulted in an overpayment to the City for \$2,386,466. In 2012, a liability for this amount was recorded by the City and is repaid from future sales tax revenue over a period of thirteen years.

During fiscal year 2022, the Texas Comptroller of Public Accounts notified the City of an error in sales tax payments made to the City. The error was the result of a local business reporting and paying taxes incorrectly to the State Comptroller over several years. The overpayment by the business resulted in an overpayment to the City for \$3,108,638. In 2022, a liability for this amount was recorded by the City and is repaid from future sales tax revenue over a period of six years.

As of September 30, 2025, the total liability equaled \$1,072,322.

I. Risk Management

The City currently administers a deductible program for Workers' Compensation, all Liability, Property, Airport, and Crime claims through the Texas Municipal League Intergovernmental Risk Pool (TMLIRP), a public entity risk pool. The TMLIRP sustains itself through member premiums and stop loss coverage for excess claims through commercial insurers.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements
September 30, 2025

The City's current per occurrence and aggregate limits through the TMLIRP are as follows:

Coverage	Per Occurrence	Aggregate
General liability	\$ 1,000,000	\$ 2,000,000
Law enforcement liability	3,000,000	6,000,000
Errors and omissions	3,000,000	6,000,000
Automobile liability	3,000,000	N/A
Airport liability	10,000,000	10,000,000

Current deductibles with TMLIRP are \$350,000 for Workers Compensation with no aggregate retention; \$300,000 for all liability lines (General, Law Enforcement, Public Officials, and Auto Liability); \$1,000 for Automobiles; and \$10,000 for Mobile Equipment.

The City's operating funds are charged premiums for coverage provided by the Risk Management Fund based on approved annual budgets, with adjustments based on estimates of the amounts needed to pay prior and current-year claims. These inter-fund premiums are used to reduce the number of actual expenditures.

Liabilities of the Risk Management Fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, timing of filed claims, adjudication of claim benefits, changes in legal doctrines, and damage awards.

Accordingly, claims are reevaluated annually to consider the effects of inflation, plan benefit designs, recent claim settlement trends, claim expense, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses, regardless of whether allocated to specific claims. The total accrued liabilities for the Risk Management Fund based on the recent September 30, 2025 actuarial report was \$4,562,569.

The City offers group health coverage to its employees and retirees in plans administered by United Health Care uses an escrow account funded by the City with both employee and City contributions. The City allows retired employees under age 65 to continue participating in its group health insurance program after retirement, with a portion of premiums paid by the City. The amount of premiums paid by retirees is based on the retirement date, length of service with the City, plan selected, and dependents covered at the time of retirement. The City retains risk for up to \$750,000 per member per year, and transfers risk in excess of this amount to a reinsurer. Reported claims are charged to expense in the period the loss is incurred. The total accrued liabilities for health insurance as of September 30, 2025 were \$1,271,179.

City of Grand Prairie, Texas
Notes to the Basic Financial Statements
September 30, 2025

At September 30, 2025, the change in estimates of accrual liabilities for health coverage for the risk management fund:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2025	\$ 5,286,230	\$ 25,807,965	\$ 25,260,447	\$ 5,833,748
2024	5,792,952	22,986,890	23,493,612	5,286,230
2023	5,938,092	23,476,179	23,621,319	5,792,952

J. Defined Benefit Pension Plan

Plan Description

The City participates as one of 934 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at [tmrs.com](https://www.tmrsonline.com).

All eligible employees of the City are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

Plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age, 5 years at age 60 and above
Updated service credit	100% Repeating transfers
Annuity increase to retirees	70% of CPI Repeating

Additional information related to the TMRS Plan is located in the TMRS Annual Comprehensive Financial Report.

City of Grand Prairie, Texas
Notes to the Basic Financial Statements
September 30, 2025

Employees Covered by Benefit Terms

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	996
Inactive employees entitled to but not yet receiving benefits	833
Active employees	<u>1,482</u>
Total	<u><u>3,311</u></u>

Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of the Member's total compensation, and the City matching percentages are either 100%, 150%, or 200%, as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City of Grand Prairie were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City of Grand Prairie were 12.49% and 13.17% in calendar years 2024 and 2025, respectively. The City's contributions to TMRS for the year ended September 30, 2025, were \$16,734,271 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103%, and female rates are multiplied by 105%. The rates for actives, healthy retirees, and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4- year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females, respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements, subject to the floor.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2023. The assumptions were adopted in 2023 and first used in the December 31, 2024, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation and the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global public equity	35.0%	7.1%
Core fixed income	6.0%	5.0%
Non-core fixed income	6.0%	6.8%
Hedge funds	5.0%	6.4%
Private equity	13.0%	8.5%
Private debt	13.0%	8.2%
Real estate	12.0%	6.7%
Infrastructure	6.0%	6.0%
Other private markets	4.0%	7.3%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumes that Member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balance at December 31, 2023	\$ 778,883,252	\$ 756,011,138	22,872,114
Changes for the year:			
Service cost	25,815,578	-	25,815,578
Interest	52,282,215	-	52,282,215
Change of benefit terms	-	-	-
Difference between expected and actual experience	11,783,367	-	11,783,367
Changes in assumptions	-	-	-
Contributions - employer	-	16,734,271	(16,734,271)
Contributions - employee	-	9,639,427	(9,639,427)
Net investment income	-	78,655,787	(78,655,787)
Benefit payments*	(34,479,431)	(34,479,431)	-
Administrative expense	-	(503,790)	503,790
Other changes	-	(11,782)	11,782
Net changes	55,401,729	70,034,482	(14,632,753)
Balance at December 31, 2024	<u>\$ 834,284,981</u>	<u>\$ 826,045,620</u>	<u>\$ 8,239,361</u>

* Includes refunds of employee contributions

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Net Pension Liability of the City, calculated using the discount rate of 6.75%, as well as what the City's Net Pension Liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate		
	Current Single Rate	
1% Decrease		1% Increase
\$ 123,648,844	\$ 8,239,361	\$ (86,783,785)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at tmrs.com.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2025, the city recognized pension expense of \$23,231,237.

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience [actuarial (gains) or losses]	\$ 20,799,132	\$ (73,299)
Difference in assumptions	-	(2,560,799)
Difference in projected and actual earnings on pension plan investments	-	(11,919,226)
Employer's contributions to the pension plan subsequent to the measurement date	13,975,513	-
	<u>\$ 34,774,645</u>	<u>\$ (14,553,324)</u>

Deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date of \$13,975,513 will be recognized as a reduction of the total pension liability in the City's financial statements September 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

Measurement Year Ended December 31	Net deferred outflows (inflows) of resources
2026	\$ 6,559,825
2027	12,075,484
2028	(8,576,605)
2029	(3,812,896)
2030	-
Total	<u>\$ 6,245,808</u>

K. Other Postemployment Benefits (OPEB)

Plan Description

Supplemental Death Benefits

The City also participates in the cost-sharing multiple-employer defined benefit group-term life insurance plan operated by the TMRS, known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other post-employment benefit," or OPEB.

Retiree Health Benefits

Current employees who retire from the City of Grand Prairie under a TMRS Retirement / Plan option may elect to remain on the City's medical, dental, and vision insurance plans as long as they meet the following criteria:

- Under the age of 65
- Currently working for the City immediately prior to retirement, and
- Payment of required monthly premiums by due date, or within the grace period

TMRS Retirement / Plan option may include:

- Service retirement, 20 years of TMRS creditable service at any age, or
- Age 60 and 5 years of TMRS creditable service
- Disability/medical retirement at any age, if approved by TMRS

Eligibility requirements do not vary by type of retirement. The retiree health care plan is a single-employer defined benefit plan. No trust is set up for the plan; therefore, there is no separate audit report available.

Retirees pay a portion of their retiree health care premium based on their years of service with the City of Grand Prairie, the plan selected, and dependent coverage when they retire. The base retiree health care premium is based on the accrual rate, claims costs, and budget for the prior fiscal year.

Medical coverage for retiree benefits extends only to age 65. Once a retiree reaches age 65, they will be dropped from medical coverage at the beginning of the month in which they turn 65. If a retiree cancels any or all insurance at any time during retirement, they forfeit all rights to coverage through the City for that benefit. If they cancel medical coverage altogether, they may not elect medical again in the future for any reason.

A spouse who is on the employee's plan at the time of retirement may continue on the plan until the spouse reaches age 65. Spouse coverage continues after the employee reaches the age of 65 and after the death of the employee until the spouse reaches the age of 65, as well. Spouse coverage continues even though the employee becomes Medicare eligible.

Rates for spouse coverage are dependent upon the employee's years of service with the City of Grand Prairie. Spouses receive the same benefits as the employee. Surviving spouses of deceased active members are not eligible for retiree health care benefits, unless they become eligible under TMRS and elect retirement immediately following the month of death. They become "retiree" in that case.

For all retirements after 1/1/08, dependents must have been covered for the 2 years immediately preceding the effective date of retirement to be eligible to continue coverage under the retiree plan into retirement.

New dependents gained during retirement (due to marriage or birth) may not be added to the City's plan since they were not eligible at the time of retirement.

Retirees who do not continue coverage through our retiree health care plans do not receive payment in lieu of retiree health care.

City of Grand Prairie, Texas
 Notes to the Basic Financial Statements
 September 30, 2025

The City offers medical, dental, and vision coverage to eligible retirees.

Employees Covered by Benefit Terms

For retiree health insurance at the September 30, 2025 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	151
Active employees	<u>1,415</u>
Total	<u>1,566</u>

For TMRS supplemental death at the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	739
Inactive employees entitled to but not yet receiving benefits	175
Active employees	<u>1,482</u>
Total	<u>2,396</u>

Contributions

For retiree health insurance, retirees and their spouses currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums.

Monthly retiree contribution rates are as follows:

Retiree Monthly Health Care Premiums for Grandfathered Retirees under 65 (Employee Pays Portion)

	Monthly Health Care Premium
Over 65 retiree (Grandfathered by age)	
Employee only	\$ 249
Employee plus spouse	338

Retiree Monthly Health Care Premiums Retirees under 65 (Employee Pays Portion)

	Monthly Health Care Premium		
Group	EPO		HDHP
Retiree only	\$ 99	\$	90
Retiree + spouse	217		198
Retiree + children	197		180
Family	315		288

City of Grand Prairie, Texas

Notes to the Basic Financial Statements
September 30, 2025

Total OPEB Liability

The City of Grand Prairie's retiree health insurance total OPEB liability of \$70,458,717 was measured as of September 30, 2025, and was determined by an actuarial valuation as of that date.

The City of Grand Prairie TMRS supplemental death total OPEB liability of \$4,258,859 measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The retiree health insurance total OPEB liability in the September 30, 2025 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.60% to 11.85%, including inflation
Discount rate	4.90%
Mortality rates - retirees	PUB-2014 (50% General, 50% Safety) Table projected using MP-2021

The discount rate was selected by the City of Grand Prairie based on the Bond Buyer 20-Bond General Obligation Index to reflect yields on long-term municipal bonds as of the measurement date.

The TMRS supplemental death total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Discount rate	4.08%
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

The discount rate is the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Change in OPEB Liability Retiree Health Insurance	Total OPEB Liability
Balance at September 30, 2024	\$ 60,235,760
Changes for the year:	
Service cost	4,688,557
Interest	2,437,874
Difference between expected and actual experience	12,098,051
Changes in assumptions	(6,656,273)
Contributions - employer	(2,345,252)
Benefit payments*	-
Net changes	10,222,957
Balance at September 30, 2025	\$ 70,458,717

Change in OPEB Liability TMRS Supplemental Death	Total OPEB Liability
Balance at December 31, 2023	\$ 4,350,512
Changes for the year:	
Service cost	177,757
Interest	164,272
Difference between expected and actual experience	(48,899)
Changes in assumptions	(220,700)
Benefit payments*	(164,082)
Net changes	(91,652)
Balance at December 31, 2024	\$ 4,258,860

*Due to the Plan being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City's retiree health insurance, calculated using the discount rate of 4.90%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.90%) or 1 percentage point higher (5.90%) than the current discount rate:

Sensitivity of the OPEB Liability to Changes in the Discount Rate		
1% Decrease	Current Discount Rate	1% Increase
\$ 77,643,953	\$ 70,458,717	\$ 64,026,949

The following presents the total OPEB liability of the City's TMRS supplemental plan, calculated using the discount rate of 4.08%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) or 1 percentage point higher (5.08%) than the current discount rate:

Sensitivity of the OPEB Liability to Changes in the Discount Rate		
1% Decrease	Current Discount Rate	1% Increase
\$ 5,034,058	\$ 4,258,860	\$ 3,647,700

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the City's retiree health insurance, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

Sensitivity of the OPEB Liability to Changes in the Healthcare Cost Rate		
1% Decrease	Current Discount Rate	1% Increase
\$ 61,677,689	\$ 70,458,717	\$ 81,031,706

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2025, the City recognized total OPEB expense of \$3,235,801, which included \$3,069,602 related to Retiree Health Insurance and \$166,199 related to TMRS Supplemental Death.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

At September 30, 2025, the City reported deferred outflows and inflows of resources related to OPEB from the following resources:

Retiree Health Insurance

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	\$ 10,798,862	\$ (3,319,546)
Difference in assumptions	-	(8,797,089)
Difference in projected and actual earnings on OPEB plan investments	-	-
Employer's contributions to the OPEB plan subsequent to the measurement date	-	-
	<u>\$ 10,798,862</u>	<u>\$ (12,116,635)</u>

TMRS Supplemental Death

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	\$ 33,678	\$ (206,485)
Difference in assumptions	476,903	(1,248,038)
Difference in projected and actual earnings on OPEB plan investments	-	-
Employer's contributions to the OPEB plan subsequent to the measurement date	126,056	-
	<u>\$ 636,637</u>	<u>\$ (1,454,523)</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$177,756 will be recognized as a reduction of the total OPEB liability in the City's financial statements September 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in pension expense as follows:

Retiree Health Insurance

Measurement Period Ended September 30,	Net deferred outflows (inflows) of resources
2026	\$ (2,120,257)
2027	(2,120,257)
2028	392,911
2029	392,911
2030	392,911
Thereafter	<u>1,744,008</u>
Total	<u>\$ (1,317,773)</u>

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

TMRS Supplemental Death

Measurement Year Ended December 31,	Net deferred outflows (inflows) of resources
2025	\$ (202,359)
2026	(205,977)
2027	(286,531)
2028	(212,894)
2029	(17,382)
Thereafter	(18,799)
Total	\$ (943,942)

L. Assigned Fund Balance and Restricted Net Position

At September 30, 2025, assigned fund balances were classified as follows:

	<u>General</u>
Fire-State Supp Funds (TASPP)	\$ 1,257,730
GPPD Boxing Program	12,932
GPPD Explorer Program	8,736
GPPD Mounted Patrol	590
Hall of Fame Trust Fund	28,495
KGPB Youth Scholarship Fund	5,309
Kirby Creek Accessibility Garden	5,977
State Training Funds (Police)	70,804
US Marshals Service Agreement	361,893
Home Match Cash Fund	280,690
First Offender Program	29,073
Police Memorials	324
Total assigned	\$ 2,062,553

At September 30, 2025 the net position restricted for other specific purposes in the governmental activities equaled \$404,248 and was primarily made up of fund balance restricted at the fund level for the General Fund.

M. Contracts, Commitments, and Contingent Liabilities

Federal and State Grants

The City participates in a number of state and federally-assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement that may arise as a result of these audits is not believed to be material.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Litigation

The City and the discretely presented component units are contingently liable in respect of lawsuits and claims in the ordinary course of operations which, in the opinion of management, will not have a material adverse effect on the combined financial statements.

Water Intake Facility Contract

The City entered into a contract with the Trinity River Authority (TRA) whereby TRA agreed to sell revenue bonds to construct and operate water treatment for the transmission and storage facilities necessary to supply treated water to several area cities. The City has also agreed to contractually pay TRA annually an amount sufficient to its pro rata share of the operation and maintenance expenses of the facilities and related debt service of its bonds. The project is not treated as a joint venture by the City since the project is managed and unilaterally controlled by TRA, the City has no equity interest in the project, and the City is not obligated for the repayment of TRA bonds.

Water Purchase Contracts

The City of Grand Prairie has a 30-year contract with the City of Dallas (DWU), which expires in 2042, for the purchase of treated water. Currently, the City is authorized to receive up to 40.8 million gallons per day (MGD) from DWU, and the City, as a Wholesale Customer of DWU, is required to pay both a fixed annual demand charge and a volume charge. The fixed annual demand charge is based on current maximum demand or the highest demand established during the five preceding years, whichever is greater. For FY2025, the volume charge is \$0.5663 per 1000 gallons, and the demand charge is \$356,978 per the City's approved MGD rate setting (40.8 MGD). The fixed demand and volume charges may be increased by DWU in future years as needed. The City has two intake points from DWU. Intake point #1, DWU South, is located at the City's Terminal Road Ground Storage Tank Facility, 1834 Strauss Road. At this location, the City is authorized to receive 30 MGD from DWU. Intake point #2, DWU North, is located at the City's Small Hill Pump Station, 620 Small Hill Drive, which is authorized to receive 10.8 MGD from DWU.

A contract with the City of Fort Worth, effective until the year 2031, permits the City to purchase up to 2.5 MGD.

A contract with the City of Midlothian, executed in 2014 for a 30-year term, permits the City to purchase up to an average of 2 MGD during the term of the contract. Beginning in February 2015, the City began purchasing water from the City of Midlothian. In FY2025, the average daily rate of water received from the City of Midlothian was 1.089 MGD.

A contract with the City of Arlington, executed in 2011 for a 20-year term, allows the City to purchase up to 2.5 MGD maximum flow unless otherwise agreed to in writing. As of September 30, 2025, no water has been purchased through this contract.

A contract with the City of Mansfield, executed in 2010 for a 40-year term, permits the City to purchase up to 12 MGD. For FY2025, the City is currently authorized to receive 1 MGD from the City of Mansfield. In FY2025, the average daily rate of water received from the City of Mansfield was 0.387 MGD.

Excluding its contract with the City of Arlington, the City has a combined total water purchase capacity of 46.3 MGD from its 4 current Wholesale providers.

Water Storage Capacity

The City currently has a total storage capacity of 49 million gallons (MG), with 10 MG being ground tank storage and 39 MG being elevated tank storage.

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Wastewater Treatment Contracts

The City has a 50-year contract with TRA for wastewater treatment. The City is billed for its prorated share of total wastewater costs, which was 21.38% during FY2024. The City must pay its prorated share of the debt service related to wastewater treatment facilities until the debt matures, whether it contributes to flow or not.

Mountain Creek Regional Wastewater System (MCRWS) Contract (System)

The City entered into a contract with the Trinity River Authority (TRA) in 2002 for the collection and treatment of wastewater within TRA's Mountain Creek Regional Wastewater System (MCRWS), which is in effect for the entire useful life of the MCRWS. The City is 1 of 4 contracting parties in TRA's MCRWS. In TRA's FY2024, the City contributed 9.627% or .372 MGD of wastewater flow to this regional system. For the City's fiscal year ending September 30, 2025, the City paid \$1,235,431 to TRA for the collection and treatment of wastewater in TRA's MCRWS.

Central Regional Wastewater System (CRWS) Contract (System)

The City entered into a contract, which expires in 2049, with the Trinity River Authority (TRA) for the collection and treatment of wastewater within TRA's Central Regional Wastewater System (CRWS). The City is 1 of 21 contracting parties in TRA's CRWS. In TRA's FY2024, the City contributed 11.753% or 17.027 MGD of wastewater flow to this regional system. For the City's fiscal year ending September 30, 2025, the City paid \$24,437,805 to TRA for collection and treatment of wastewater in TRA's CRWS.

Master and Other Agreements

The City and Texas NextStage, L.P. (NextStage) entered into agreements (development agreements, lease Agreements, and other ancillary agreements) on January 10, 2001, to design, develop, and construct a performance hall (Performance Hall). Construction of the Performance Hall began in July 2000 and was completed in February 2001. Under the agreements, the City purchased the Performance Hall from NextStage for \$15 million with the proceeds from the \$17.9 million TIF tax and tax increment certificate of obligation bond issue in the fiscal year 2001. NextStage initially leased the Performance Hall from the City under a twenty-one-year lease. Effective September 18, 2002, Anschutz Texas, L.P. assumed the lease obligations of NextStage and became the lessee and operator of the Performance Hall. The lease between the City and Anschutz Texas, L. P. expires December 31, 2033. Monthly lease payments from the lessee of the Performance Hall are used to pay debt service on bonds issued by the City for the purchase of the Performance Hall.

Stadium Lease – On December 1, 2020, the City entered into a fifteen-year lease agreement with MLC Dallas Stadium Co., LLC (the Tenant) for their use of the City-owned baseball stadium. The Tenant has unlimited use of the Stadium to hold sporting and entertainment events. MLC Dallas Stadium Co., LLC pays the City, in advance, a monthly lease payment of \$20,000, which includes \$10,000 in construction rent applicable to only the first eighty months of the agreement. In addition to rent, the tenant pays 5% of their gross revenues from the immediately preceding six-month period in January and July 15th of each year. The Tenant is responsible for all utility services, maintenance of the building, landscaping, irrigation, art, and playgrounds, and maintenance and repair reserve fund. The City is obligated to deposit \$200,000 to this reserve fund to benefit the Stadium every five years.

Construction Commitments

The City has several approved major capital projects as of September 30, 2025. The City's total committed but unexpended expenditures for such authorized capital projects at year-end approximates \$58,932,968. Funding for these contracts will be received through various capital project funds and enterprise funds.

N. Tax Abatements and Economic Incentive Agreements

The City has incentive agreements with companies that may refund or rebate certain taxes based on performance indicators. These agreements are governed by Chapter 312 of the Texas Local Government Code. Recipients may be eligible based on their impact on the City's economy, as usually measured by job creation. Agreements may also contain recapture or 'clawback' provisions in the event of non-performance of the agreed standards. The City's Management Services division reviews the performance of the companies under these agreements for their compliance with stated standards. The City has no current or future tax abatements.

O. Segment Information for Enterprise Funds

The City maintains five enterprise funds – water and wastewater, solid waste, golf, airport, and storm water utility activities. At September 30, 2025, the Municipal Airport Fund had outstanding revenue-backed certificates of obligations. Segment information for this Fund is as follows:

	Municipal Airport
Condensed statement of net position:	
Current assets	\$ 1,542,895
Capital assets	13,126,609
Deferred outflows of resources	<u>134,009</u>
Total assets and deferred outflows of resources	14,803,513
Current liabilities	276,739
Long-term liabilities	337,945
Deferred inflows of resources	<u>91,145</u>
Total liabilities and deferred inflows of resources	705,829
Net position: Net investment in capital assets	13,124,759
Net position: Unrestricted	<u>972,925</u>
Total net position	<u>\$ 14,097,684</u>

City of Grand Prairie, Texas

Notes to the Basic Financial Statements

September 30, 2025

Condensed statement of revenues, expenses and changes in net position:

Sales to customers	\$ 1,845,969
Intergovernmental revenue	203,546
Miscellaneous	<u>814,040</u>
Total operating revenues	2,863,555
Depreciation	930,444
Other operating expenses	<u>2,582,911</u>
Total operating expenses	3,513,355
Investment income	46,476
Gain on property disposition	184,999
Interest expense	<u>(38)</u>
Total nonoperating revenues (expenses)	<u>231,437</u>
Loss before transfers	(418,363)
Transfers in	422,768
Transfers out	<u>(148,000)</u>
Change in net position	(143,595)
Net position at the beginning of the year	<u>14,241,279</u>
Net position at the end of the year	<u>\$ 14,097,684</u>

Condensed statement of cash flows:

Net cash provided (used) by:	
Operating activities	219,257
Noncapital financing activities	274,768
Capital and related financing activities	(1,109,090)
Investing activities	46,476
Beginning cash and cash equivalent balances	<u>1,830,113</u>
Ending cash and cash equivalent balances	<u>\$ 1,261,524</u>

P. Subsequent Events

The City has evaluated all events or transactions that occurred after September 30, 2025 through March 3, 2026 the date the financial statements were available to be issued. During this period, there were no subsequent events requiring disclosure.



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Required Supplementary Information



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City of Grand Prairie, Texas

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – General Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Property tax	\$ 95,764,679	\$ 95,764,679	\$ 93,811,420	\$ (1,953,259)
Sales tax	48,902,858	48,902,858	49,148,667	245,809
Other taxes	571,250	571,250	679,338	108,088
Franchise fees	16,155,085	16,155,085	15,958,788	(196,297)
Charges for goods and services	7,438,914	7,438,914	8,410,986	972,072
Licenses and permits	3,134,365	3,134,365	3,608,611	474,246
Fines and forfeitures	5,436,060	5,436,060	6,436,166	1,000,106
Intergovernmental revenue	2,680,310	2,680,310	3,770,569	1,090,259
General and administrative	6,296,637	6,296,637	6,296,637	-
Rents and royalties	480,372	480,372	386,322	(94,050)
Investment income	1,099,443	1,099,443	(5,311,109)	(6,410,552)
Contributions	2,000	2,000	148,558	146,558
Other	5,016,496	5,016,496	5,335,613	319,117
Total revenues	192,978,469	192,978,469	188,680,566	(4,297,903)
EXPENDITURES				
Support services	46,025,610	46,025,610	40,770,410	5,255,200
Public safety services	116,779,396	116,779,396	114,083,289	2,696,107
Recreation and leisure services	3,931,414	3,931,414	3,784,023	147,391
Development and other services	18,366,783	18,366,783	17,224,968	1,141,815
Capital outlay	554,960	554,960	2,135,986	(1,581,026)
Debt service:				
Principal payments	1,497,968	1,497,968	1,261,458	236,510
Interest expense	-	-	47,043	(47,043)
Total expenditures	187,156,131	187,156,131	179,307,177	7,848,954
Excess (deficiency) of revenues over (under) expenditures	5,822,338	5,822,338	9,373,389	3,551,051
OTHER FINANCING SOURCES (USES)				
Transfers in	135,000	135,000	265,799	130,799
Transfers out	(10,029,914)	(10,029,914)	(9,790,154)	239,760
Issuance of debt- leases and SBITAs	-	-	1,442,313	1,442,313
Proceeds from sale of capital assets	1,503,000	1,503,000	2,586,917	1,083,917
Total other financing sources (uses)	(8,391,914)	(8,391,914)	(5,495,125)	2,896,789
Net change in fund balances	(2,569,576)	(2,569,576)	3,878,264	6,447,840
Fund balance - beginning of year	76,134,182	76,134,182	76,134,182	-
Fund balances - end of year	\$ 73,564,606	\$ 73,564,606	\$ 80,012,446	\$ 6,447,840

City of Grand Prairie, Texas

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget To Actual – Section 8 Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Charges for goods and service	\$ 9,962,026	\$ 9,962,026	\$ 12,360,713	\$ 2,398,687
Licenses and permits	442,000	442,000	2,555	(439,445)
Intergovernmental	3,290,620	3,290,620	54,051,416	50,760,796
Interest Income	-	-	73,293	73,293
Other	40,000	40,000	96,888	56,888
Total revenues	13,734,646	13,734,646	66,584,865	52,850,219
EXPENDITURES				
Development services and other	13,794,741	13,794,741	66,062,734	(52,267,993)
Capital outlay	-	110,070	7,542	102,528
Debt service:				
Principal retirement	10,500	10,500	5,085	5,415
Interest and other charges	-	-	351	(351)
Total expenditures	13,805,241	13,915,311	66,075,712	(52,160,401)
Excess (deficiency) of revenues over (under) expenditures	(70,595)	(180,665)	509,153	689,818
OTHER FINANCING SOURCES (USES)				
Issuance of debt- leases and SBITAs	-	-	7,542	7,542
Proceeds from the sale of assets	-	-	6,762	6,762
Total other financing sources (uses)	-	-	14,304	14,304
Net change in fund balances	(70,595)	(180,665)	523,457	704,122
Fund balance - beginning of year	2,512,280	2,512,280	2,512,280	-
Fund balances - end of year	\$ 2,441,685	\$ 2,331,615	\$ 3,035,737	\$ 704,122

City of Grand Prairie, Texas

Required Supplementary Information Schedule of Changes in Postemployment Benefits – Retiree Health Plan Last Eight Years

	Year Ended September 30, 2025	Year Ended September 30, 2024	Year Ended September 30, 2023	Year Ended September 30, 2022	Year Ended September 30, 2021	Year Ended September 30, 2020	Year Ended September 30, 2019	Year Ended September 30, 2018
Total OPEB liability								
Service cost	\$ 4,688,557	\$ 3,359,319	\$ 3,245,719	\$ 4,499,145	\$ 4,393,270	\$ 2,196,598	\$ 2,115,572	\$ 2,173,026
Interest	2,437,874	2,641,470	2,485,088	1,655,278	1,578,726	2,214,000	2,162,740	2,210,196
Difference between expected and actual experience	12,098,051	(96,983)	-	(9,740,425)	-	(1,525,154)	-	(3,213,084)
Change in assumptions	(6,656,273)	(1,434,793)	-	(5,338,583)	-	3,977,244	-	(1,962,733)
Benefit payments	<u>(2,345,252)</u>	<u>(1,814,679)</u>	<u>(2,765,867)</u>	<u>(2,115,265)</u>	<u>(2,859,417)</u>	<u>(1,502,382)</u>	<u>(2,895,397)</u>	<u>(2,566,843)</u>
Net changes	10,222,957	2,654,334	2,964,940	(11,039,850)	3,112,579	5,360,306	1,382,915	(3,359,438)
Total OPEB liability - beginning	<u>60,235,760</u>	<u>57,581,426</u>	<u>54,616,486</u>	<u>65,656,336</u>	<u>62,543,757</u>	<u>57,183,451</u>	<u>55,800,536</u>	<u>59,159,975</u>
Total OPEB liability - ending	<u>\$ 70,458,717</u>	<u>\$ 60,235,760</u>	<u>\$ 57,581,426</u>	<u>\$ 54,616,486</u>	<u>\$ 65,656,336</u>	<u>\$ 62,543,757</u>	<u>\$ 57,183,451</u>	<u>\$ 55,800,537</u>
Covered-employee payroll	<u>\$ 126,873,955</u>	<u>\$ 120,310,674</u>	<u>\$ 111,664,264</u>	<u>\$ 100,109,281</u>	<u>\$ 95,252,838</u>	<u>\$ 93,333,982</u>	<u>\$ 88,677,027</u>	<u>\$ 82,283,716</u>
Total OPEB liability as a percentage of covered-employee payroll	55.53%	50.07%	51.57%	54.56%	68.93%	67.01%	64.49%	67.81%

Notes to schedule:

Valuation Date: December 31, 2024
Measurement Date: September 30, 2025

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method

Inflation

Salary Increases

Discount Rate

Retirees' share of benefit-related cost

Mortality rates - retirees

Entry Age Normal

2.50%

3.60 % to 11.85%, including inflation

4.90%

\$0

For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP-2021 table to account for future mortality improvements.

Note:

The City implemented GASB 75 in FY 2018; therefore, the required information for this schedule will be built over the next two years.

There are no assets accumulated in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the above OPEB plan.

City of Grand Prairie, Texas

Required Supplementary Information Schedule of Changes in Postemployment Benefits – Texas Municipal Retirement System Last Seven Years

	Measurement Period December 31, 2024	Measurement Period December 31, 2023	Measurement Period December 31, 2022	Measurement Period December 31, 2021	Measurement Period December 31, 2020	Measurement Period December 31, 2019	Measurement Period December 31, 2018
Total OPEB liability							
Service cost	\$ 177,756	\$ 151,584	\$ 281,231	\$ 254,608	\$ 191,195	\$ 147,917	\$ 149,994
Interest	164,272	159,185	106,467	107,145	123,620	158,603	122,449
Difference between expected and actual experience	(48,899)	48,260	(116,336)	(220)	(93,363)	(760,883)	600,432
Change in assumptions	(220,700)	212,570	(1,924,610)	174,360	687,282	692,831	(257,696)
Benefit payments	(164,082)	(151,584)	(123,742)	(116,695)	(40,253)	(39,444)	(37,499)
Net changes	(91,653)	420,015	(1,776,990)	419,198	868,481	199,024	577,680
Total OPEB liability - beginning	4,350,512	3,930,497	5,707,487	5,288,289	4,419,808	4,220,784	3,643,104
Total OPEB liability - ending	\$ 4,258,859	\$ 4,350,512	\$ 3,930,497	\$ 5,707,487	\$ 5,288,289	\$ 4,419,808	\$ 4,220,784
Covered-employee payroll	\$ 136,735,063	\$ 126,319,860	\$ 112,492,320	\$ 106,086,747	\$ 100,628,856	\$ 98,611,365	\$ 93,746,412
Total OPEB liability as a percentage of covered-employee payroll	3.11%	3.44%	3.49%	5.38%	5.26%	4.48%	4.50%

Notes to schedule:

Valuation Date: December 31, 2024

Methods and Assumptions Used to Determine Contribution Rates:

Inflation	2.50%
Salary Increases	3.60% to 11.85%, including inflation
Discount Rate	4.08%
Retirees' share of benefit-related cost	\$0
Administrative expenses	

Mortality rates - service retirees

Mortality rates - disabled retirees

All administrative expenses are paid through the Pension Trust and accounted for under-reporting requirements under GASB Statement No. 68. 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

Note:

The City implemented GASB 75 in FY 2018; therefore, the required information for this schedule will be built over the next three years.

There are no assets accumulated in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the above OPEB plan.

City of Grand Prairie, Texas

Required Supplementary Information Schedule of Contributions – Texas Municipal Retirement System Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contributions	\$ 12,870,593	\$ 14,209,636	\$ 14,427,366	\$ 15,114,190	\$ 16,638,630	\$ 16,938,302	\$ 18,294,897	\$ 86,471,914	\$ 22,049,856	\$ 16,734,271
Contributions in relation to the actuarially determined contribution	(12,870,593)	(14,209,636)	(14,427,366)	(15,114,190)	(16,638,630)	(16,938,302)	(18,294,897)	(86,471,914)	(22,049,856)	(16,734,271)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 79,933,264	\$ 87,729,762	\$ 92,501,160	\$ 97,088,542	\$ 101,022,198	\$ 103,708,360	\$ 114,088,711	\$ 123,496,761	\$ 136,019,527	\$ 139,963,721
Contributions as a percentage of covered payroll	16.10%	16.20%	15.60%	15.57%	16.47%	16.33%	16.04%	70.02%	16.21%	11.96%

Notes to the Schedule of Contributions

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen months later.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	22 years (longest ladder amortization ladder)
Asset valuation method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary increases	3.60% to 11.85%, including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other information

Notes

There were no benefit changes during the year.

City Of Grand Prairie, Texas

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios – Texas Municipal Retirement System Last Ten Fiscal Years

	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021	Measurement Year 2022	Measurement Year 2023	Measurement Year 2024
Total pension liability										
Service Cost	\$ 13,141,028	\$ 14,199,234	\$ 15,171,279	\$ 16,602,489	\$ 17,424,628	\$ 18,113,194	\$ 19,169,875	\$ 20,439,854	\$ 22,964,951	\$ 25,815,580
Interest (on the Total Pension Liability)	32,633,468	33,350,744	35,239,052	37,557,203	39,278,509	41,452,842	43,353,610	46,199,640	49,170,792	52,282,215
Changes of benefit terms	-	-	-	4,761,778	-	-	-	-	-	-
Difference between expected and actual experience	1,187,598	565,461	1,775,160	(2,432,011)	2,850,261	(2,363,879)	9,672,049	8,441,455	10,796,084	11,783,367
Changes of assumptions	596,665	-	-	-	1,142,147	-	-	-	(4,416,451)	-
Benefit payments ¹	(20,907,275)	(19,483,058)	(21,770,002)	(24,869,802)	(28,406,023)	(29,248,955)	(29,893,010)	(31,441,221)	(33,211,641)	(34,479,431)
Net change in total pension liability	26,651,484	28,632,381	30,415,489	31,619,657	32,289,522	27,953,202	42,302,524	43,639,728	45,303,735	55,401,731
Total pension liability - beginning	470,075,530	496,727,014	525,359,395	555,774,884	587,394,541	619,684,063	647,637,265	689,939,789	733,579,517	778,883,252
Total pension liability - ending (a)	496,727,014	525,359,395	555,774,884	587,394,541	619,684,063	647,637,265	689,939,789	733,579,517	778,883,252	834,284,983
Plan fiduciary net position										
Contributions - employer	13,141,016	12,990,875	14,427,366	15,114,190	16,638,630	16,938,302	18,294,897	86,471,914	22,049,856	16,734,271
Contributions - employee	5,596,768	5,806,017	6,292,394	6,565,122	6,905,686	7,047,274	7,432,874	7,890,445	8,896,983	9,639,427
Net investment income	618,807	28,210,612	61,623,079	(15,122,712)	75,171,025	42,208,241	77,270,134	(48,569,473)	78,836,258	78,655,787
Benefit payments ¹	(20,907,275)	(19,483,058)	(21,770,002)	(24,869,801)	(28,406,022)	(29,248,955)	(29,893,010)	(31,441,221)	(33,211,641)	(34,479,431)
Administrative Expense	(376,914)	(318,599)	(319,350)	(292,270)	(424,746)	(273,140)	(357,548)	(420,384)	(500,444)	(503,790)
Other	(18,616)	(17,165)	(16,184)	(15,270)	(12,758)	(10,657)	2,452	501,641	(3,499)	(11,780)
Net change in plan fiduciary net position	(1,944,214)	27,188,682	60,237,303	(18,620,741)	49,871,815	36,661,045	72,749,799	14,432,922	76,047,313	70,034,484
Plan fiduciary net position - beginning	419,369,194	417,422,980	444,611,662	504,848,965	486,228,224	556,100,039	592,761,104	665,510,903	679,943,825	756,011,138
Plan fiduciary net position - ending (b)	417,422,980	444,611,662	504,848,965	486,228,224	556,100,039	592,761,104	665,510,903	679,943,825	756,011,138	826,045,622
Net pension liability (a) - (b)	\$ 79,304,034	\$ 80,747,733	\$ 50,925,919	\$ 101,166,317	\$ 63,584,024	\$ 54,876,161	\$ 24,428,886	\$ 53,635,692	\$ 22,872,114	\$ 8,239,361
Plan fiduciary net position as a percentage of the total pension liability (b) / (a)	84.03%	84.63%	90.84%	82.78%	89.74%	91.53%	96.46%	92.69%	97.06%	99.01%
Covered payroll	\$ 92,501,160	\$ 82,939,452	\$ 88,720,932	\$ 93,746,412	\$ 98,611,365	\$ 100,628,856	\$ 106,086,747	\$ 112,492,320	\$ 126,319,860	\$ 136,735,063
Net pension liability as a percentage of covered payroll	85.73%	97.36%	57.40%	107.91%	64.48%	54.53%	23.03%	47.68%	18.11%	6.03%

As of December 31

¹ Amounts reported include refunds of employee contributions.

Note: There are no assets accumulated in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the above pension plan.

City Of Grand Prairie, Texas

Required Supplementary Information

Notes to the Required Supplementary Information

A. Budget Law and Practice

Annual budgets are adopted on a basis that is consistent with accounting principles generally accepted in the United States. The City uses the modified accrual basis of accounting and the current financial resources measurement focus for all adopted budgets. Encumbered appropriations are carried forward to the next fiscal year and become part of the new fiscal year's appropriations, while unencumbered appropriations lapse at fiscal year-end. Appropriations for certain special revenue funds and capital project funds are controlled on a project basis and are carried forward each year until the project is completed or the grant receipts are expended.

The City's five-year capital projects plan is updated and approved annually during the budget process. The City Council approves annual appropriations and funding sources.

The Section 8 budget is presented annually on a calendar-year basis and is based on a combination of historical data and estimated appropriations from the Department of Housing and Urban Development (HUD) Section 8 program. Policy decisions at the federal level, increases in rental subsidies, and the expansion of the number of clients served due to unforeseen circumstances may require a higher voucher subsidy and can affect the financial component of each voucher. Accordingly, expenditures may exceed the budget, but only to the extent that this increase will be offset by a like increase in revenues as received from HUD for the management and administration of the Section 8 voucher program. HUD monitors the financial activity and unit activity of the Section 8 program each month through required submissions via the Voucher Management System (VMS).

B. Budgetary Control

The legal level of budgetary control is at the fund level for all governmental and enterprise funds. The City Manager is authorized to amend budgeted appropriations between line items, categories, and departments within the same fund as long as total appropriations for the fund do not change. Any amendments that change total appropriations at the fund level must be approved by the City Council.



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Other Supplementary Information

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Debt Service Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Property tax	\$ 55,565,825	\$ 55,565,825	\$ 54,142,276	\$ (1,423,549)
Interest Income	-	-	371,544	371,544
Other income	-	-	750	750
Total revenues	55,565,825	55,565,825	54,514,570	(1,051,255)
EXPENDITURES				
Debt service:				
Principal retirement	43,756,000	43,756,000	38,930,000	4,826,000
Interest	16,979,776	16,979,776	17,549,576	(569,800)
Total expenditures	60,735,776	60,735,776	56,479,576	4,256,200
Excess (deficiency) of revenues over (under) expenditures	(5,169,951)	(5,169,951)	(1,965,006)	3,204,945
OTHER FINANCING SOURCES (USES)				
Transfers in	4,734,558	4,734,558	3,362,292	(1,372,266)
Total other financing sources	4,734,558	4,734,558	3,362,292	(1,372,266)
Net change in fund balances	(435,393)	(435,393)	1,397,286	1,832,679
Fund balances - beginning of year	1,520,610	1,520,610	1,520,610	-
Fund balances - end of the year	\$ 1,085,217	1,085,217	\$ 2,917,896	\$ 1,832,679

City of Grand Prairie, Texas
Combining Financial Statements
Nonmajor Governmental Funds

Special Revenue Funds are used by the City to account for revenues derived from specific taxes, fees, donations, and grants which are restricted or committed for specific purposes other than for debt service or capital projects.

- “ Park Venue Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie for the specific purpose of funding park and recreational services including the Senior Center, Uptown Theatre, Ruthe Jackson Center, Bowles Life Center, and the Baseball Stadium.
- “ Streets Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie for the specific purpose of maintaining and improving of the City's existing streets and alleys.
- “ Crime Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie to pay principal and interest on debt related to the construction of the Public Safety Building and to fund salaries and benefits for twenty-four new police officers.
- “ Epic Center Sales Tax – funded by a one-quarter cent sales and use tax levied by the citizens of Grand Prairie to pay principal and interest on debt related to the construction of the Epic Center.
- “ Hotel/Motel Occupancy Tax – accounts for the receipts and allocation of the City's seven percent hotel-motel tax revenue in accordance with the requirements of state law.
- “ Police Seizures – accounts for police-seized assets pending court cases and for forfeitures awarded by County courts from assets seized by the Grand Prairie Police Department.
- “ Municipal Court – accounts for fees collected through municipal court fines for the specific use of maintaining security for municipal court buildings and for municipal court technology.
- “ Cable Operations – accounts for the revenue collected through cable companies for government access programming. This revenue is committed by the City Council for the operations and improvements to the City's cable channel.
- “ Red Light Safety – accounts for street light camera operations and is funded from red light citations. The purpose of this fund is to improve major street intersection safety.
- “ Lake Parks – accounts for the activity of the City's four major parks surrounding Joe Pool Lake. All revenues generated are restricted for the operation of these parks by the lease agreement with U. S. Corps of Engineers.
- “ Tree Preservation - accounts for the funds and activity dedicated to preserving the City's trees.
- “ Cemetery – accounts for operations of Grand Prairie Memorial Gardens and Mausoleum. Net proceeds from operations are committed by the City Council for the perpetual care of the cemetery.
- “ Public Improvement Districts (PIDs) – accounts for the activity of the City's nineteen PIDs.
- “ Tax Increment Financing Districts (TIFs) – accounts for the activity of the City's two TIFs and is supported primarily from revenues collected through inter-local property tax increment funding.

City of Grand Prairie, Texas
Combining Financial Statements
Nonmajor Governmental Funds

- “ Verizon Theatre - accounts for monthly lease payments used to pay debt service on the bonds issued by the City for the purchase of the performance hall.
- “ Commercial Vehicle Enforcement – accounts for various fees collected through municipal court fines restricted for operations relating to commercial vehicle enforcement.
- “ Juvenile Case Manager – accounts for various fees collected through municipal court fines restricted for operations relating to the Juvenile Case Manager.
- “ Truancy Prevention Diversion – accounts for various fees collected through municipal court fines restricted for operations relating to truancy prevention.
- “ Municipal Court Judicial Efficiency – accounts for various fees collected through municipal court fines restricted for operations relating to judicial efficiency.

Budget to Actual Comparisons

These schedules present budget to actual comparisons for special revenue funds with legally adopted budgets that have not been presented as part of Required Supplementary Information. Each comparison schedule shows the original budget amounts, the final adopted amounts, and the actual financial results as presented in the financial statements. In addition, the variance between the final adopted budget amounts and the actual amounts is presented.

Capital Projects Funds

Capital Projects Funds are used to account for capital improvements which are financed by general obligation bond

- “ Park Venue – accounts for construction, improvements, and other capital expenditures related to the City's park system and is financed partly from funds transferred from the Park Venue Special Revenue Fund.
- “ Fire – accounts for construction, improvements, and other capital expenditures related to the City's Fire Department.
- “ Municipal Facilities (MFAC) – accounts for construction, improvements, and other capital expenditures related to City departments that do not utilize a separate capital project fund.
- “ Drainage – accounts for construction, improvements, and other capital expenditures related to the City's drainage system.
- “ Police – accounts for construction, improvements, and other capital expenditures related to the City's Police Department.
- “ Other Capital Projects – accounts for construction, improvements, and other capital expenditures related to other City departments including the Senior Center, Lake Parks (other than Park Venue), Crime Tax, Library, and one-time equipment acquisition funds.
- “ Capital Lending and Reserve – established for short-term financing of capital projects and for one-time, non-recurring capital expenditures not budgeted in other capital project funds.



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City of Grand Prairie, Texas
Combining Balance Sheets
Nonmajor Governmental Funds
September 30, 2025

	Special Revenue				
	Park Venue Sales Tax	Streets Sales Tax	Crime Sales Tax	Epic Center Sales Tax Fund	Hotel Motel Tax
ASSETS					
Cash, cash equivalents and investments	\$ 12,930,630	\$ 5,878,081	\$ 9,250,528	\$ 7,619,028	\$ 6,298,215
Sales tax receivable	2,127,483	2,127,483	2,101,671	2,127,483	-
Franchise fees receivable	-	-	-	-	-
Lease receivables	-	-	-	3,678,436	-
Other receivables	24,730	-	72,213	809,233	339,578
Inventory	15,761	-	-	2,798	-
Prepays	3,495	-	-	-	-
Total assets	15,102,099	8,005,564	11,424,412	14,236,978	6,637,793
LIABILITIES					
Accounts payable	586,200	942,649	544,660	143,403	129,814
Retainage payable	-	-	-	-	-
Accrued liabilities	230,972	-	283,641	126,616	26,012
Customer deposits	43,000	-	-	-	-
Unearned revenue	218,993	-	-	21,028	-
Total liabilities	1,079,165	942,649	828,301	291,047	155,826
DEFERRED INFLOWS OF RESOURCES					
Related to leases	-	-	-	3,549,424	-
Total deferred inflows of resources	-	-	-	3,549,424	-
FUND BALANCES					
Nonspendable	19,256	-	-	2,798	-
Restricted	14,003,678	7,062,915	10,596,111	10,393,709	6,481,967
Committed	-	-	-	-	-
Total fund balances	14,022,934	7,062,915	10,596,111	10,396,507	6,481,967
Total liabilities, deferred inflows of resources and fund balances	\$ 15,102,099	\$ 8,005,564	\$ 11,424,412	\$ 14,236,978	\$ 6,637,793

Special Revenue

Police Seizure	Municipal Court	Cable Operations	Red Light Safety	Lake Parks	Tree Preservation	Cemetery	PID	Tax Increment Financing Districts
\$ 649,654	\$ 528,719	\$ 278,137	\$ 408,033	\$ 6,693,140	\$ 2,624,749	\$ 10,494,267	\$ 6,326,185	\$ 46,326,396
-	-	-	-	-	-	-	-	-
-	-	22,276	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	42,121	-	665,431	-	-
-	-	-	-	5,793	-	-	-	-
-	-	-	-	-	-	-	71,330	-
649,654	528,719	300,413	408,033	6,741,054	2,624,749	11,159,698	6,397,515	46,326,396
58,596	2,316	5,160	3,785	96,393	-	52,272	728,218	956
-	-	-	-	-	-	-	-	-
28,645	63	-	-	51,666	-	12,991	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,925,601	-	-
87,241	2,379	5,160	3,785	148,059	-	2,990,864	728,218	956
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	5,793	-	-	71,330	-
562,413	526,340	-	404,248	6,587,202	2,624,749	-	5,597,967	46,325,440
-	-	295,253	-	-	-	8,168,834	-	-
562,413	526,340	295,253	404,248	6,592,995	2,624,749	8,168,834	5,669,297	46,325,440
\$ 649,654	\$ 528,719	\$ 300,413	\$ 408,033	\$ 6,741,054	\$ 2,624,749	\$ 11,159,698	\$ 6,397,515	\$ 46,326,396

Continued

City of Grand Prairie, Texas
Combining Balance Sheets
Nonmajor Governmental Funds
September 30, 2025

Special Revenue					
	Verizon Theatre	Commercial Vehicle Enforcement	Juvenile Case Manager	Truancy Prevention Diversion	Judicial Efficiency
ASSETS					
Cash and cash equivalents	\$ 2,347,573	\$ 492,359	\$ 62,583	\$ 170,761	\$ 60,556
Sales tax receivable	-	-	-	-	-
Franchise fees receivable	-	-	-	-	-
Lease Receivables	644,970	-	-	-	-
Other receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Total assets	2,992,543	492,359	62,583	170,761	60,556
LIABILITIES					
Accounts payable	-	3,906	1,684	474	-
Retainage payable	-	-	-	-	-
Accrued liabilities	-	-	-	2,758	-
Customer deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	-	3,906	1,684	3,232	-
DEFERRED INFLOWS OF RESOURCES					
Related to leases	609,984	-	-	-	-
Total deferred inflows of resources	609,984	-	-	-	-
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	488,453	60,899	167,529	60,556
Committed	2,382,559	-	-	-	-
Total fund balances	2,382,559	488,453	60,899	167,529	60,556
Total liabilities, deferred inflows of resources and fund balances	\$ 2,992,543	\$ 492,359	\$ 62,583	\$ 170,761	\$ 60,556

Capital Projects							Total Nonmajor Governmental Funds
Park Venue CIP	Fire CIP	Municipal Facilities CIP	Drainage CIP	Police CIP	Other CIP	Capital Lending/ Reserve	
\$ 5,670,376	\$ 1,369,379	\$ 19,998,443	\$ 17,258,187	\$ 1,391,664	\$ 32,799,547	\$ 52,264,845	\$ 250,192,035
-	-	-	-	-	-	-	8,484,120
-	-	-	-	-	-	-	22,276
-	-	-	-	-	-	1,354,592	4,323,406
-	-	-	-	-	-	-	3,307,898
-	-	-	-	-	-	-	24,352
-	-	-	-	-	2,489,844	-	2,564,669
5,670,376	1,369,379	19,998,443	17,258,187	1,391,664	35,289,391	53,619,437	268,918,756
263,379	95,855	820,282	665,208	97,450	1,756,212	37,490	7,036,362
28,841	-	-	105,929	-	70,072	-	204,842
-	-	-	-	-	-	-	763,364
-	-	-	-	-	-	-	43,000
-	-	-	-	-	-	192,104	3,357,726
292,220	95,855	820,282	771,137	97,450	1,826,284	229,594	11,405,294
-	-	-	-	-	-	-	4,159,408
-	-	-	-	-	-	-	4,159,408
-	-	-	-	-	2,489,844	-	2,589,021
5,378,156	1,273,524	19,178,161	-	1,294,214	14,294,130	33,390,998	186,753,359
-	-	-	16,487,050	-	16,679,133	19,998,845	64,011,674
5,378,156	1,273,524	19,178,161	16,487,050	1,294,214	33,463,107	53,389,843	253,354,054
<u>\$ 5,670,376</u>	<u>\$ 1,369,379</u>	<u>\$ 19,998,443</u>	<u>\$ 17,258,187</u>	<u>\$ 1,391,664</u>	<u>\$ 35,289,391</u>	<u>\$ 53,619,437</u>	<u>\$ 268,918,756</u>
							Concluded

City of Grand Prairie, Texas

Combining Statements of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue				
	Park Venue Sales Tax	Streets Sales Tax	Crime Sales Tax	Epic Center Sales Tax Fund	Hotel Motel Tax
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	12,287,167	12,287,167	12,169,736	12,287,167	-
Other taxes	-	-	-	2,403,751	4,177,330
Charges for goods and services	3,154,274	-	-	3,489,229	10,771
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	-	330,426	-	-
Rents and royalties	849,904	-	-	642,485	-
Interest and investment income (losses)	433,695	191,128	427,905	282,180	181,396
Contributions	34,277	-	-	862,809	-
Other	307,565	-	-	4,838,903	71
Total revenues	17,066,882	12,478,295	12,928,067	24,806,524	4,369,568
EXPENDITURES					
Current operations:					
Support services	-	-	-	-	-
Public safety services	-	-	11,330,921	-	-
Recreation and leisure services	16,601,431	-	-	9,532,437	2,318,012
Development services and other	263,477	9,228,175	-	90,141	-
Capital outlay	27,370	3,135,114	201,358	11,773	64,445
Debt service:					
Principal retirement	2,410,168	-	276,298	3,296,779	1,666
Interest charges	280,567	-	4,723	1,767,764	70
Total expenditures	19,583,013	12,363,289	11,813,300	14,698,894	2,384,193
Excess (deficiency) of revenues over (under) expenditures	(2,516,131)	115,006	1,114,767	10,107,630	1,985,375
OTHER FINANCING SOURCES (USES)					
Transfers in	8,912,787	1,594,265	-	912,653	-
Transfers out	(3,513,264)	-	-	(8,931,792)	(819,153)
Issuance of debt- bonds	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Issuance of debt- leases and SBITAs	27,370	-	-	4,348	5,794
Proceeds from sale of capital assets	4,200	-	283	1,054	5,618
Total other financing sources (uses)	5,431,093	1,594,265	283	(8,013,737)	(807,741)
Net change in fund balances	2,914,962	1,709,271	1,115,050	2,093,893	1,177,634
Fund balances - beginning of year	11,107,972	5,353,644	9,481,061	8,302,614	5,304,333
Fund balances - end of year	\$ 14,022,934	\$ 7,062,915	\$ 10,596,111	\$ 10,396,507	\$ 6,481,967

Special Revenue

Police Seizure	Municipal Court	Cable Operations	Red Light Safety	Lake Parks	Tree Preservation	Cemetery	PID	Tax Increment Financing Districts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,137,554
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	3,534,588	-	1,729,465	7,847,019	-
-	-	-	-	207,580	715,340	-	-	-
-	277,268	-	-	-	-	-	-	-
265,232	754	-	-	-	-	-	-	-
-	-	-	-	1,754,155	-	-	-	-
29,813	18,093	14,019	20,525	259,198	77,883	341,913	258,083	1,358,976
-	-	-	-	21,600	-	-	11,845	-
137,354	-	116,958	-	154,523	-	-	-	-
432,399	296,115	130,977	20,525	5,931,644	793,223	2,071,378	8,116,947	15,496,530
-	-	71,163	-	-	-	-	-	-
532,117	128,151	-	187,430	-	-	-	-	632,666
-	-	-	-	4,669,414	374,321	1,233,366	-	-
-	-	-	-	-	-	-	6,452,505	-
-	-	-	-	304,500	-	106,749	1,082,249	2,555,404
-	-	-	-	7,027	-	879	132,500	-
-	-	17,605	-	180	-	38	2,000	-
532,117	128,151	88,768	187,430	4,981,121	374,321	1,341,032	7,669,254	3,188,070
(99,718)	167,964	42,209	(166,905)	950,523	418,902	730,346	447,693	12,308,460
-	-	-	-	9,000	-	-	590,456	30,000
-	-	-	(135,000)	(1,135,214)	-	-	(21,166)	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	11,429	-	2,729	-	-
-	-	649	-	12,002	-	7,218	5,736	-
-	-	649	(135,000)	(1,102,783)	-	9,947	575,026	30,000
(99,718)	167,964	42,858	(301,905)	(152,260)	418,902	740,293	1,022,719	12,338,460
662,131	358,376	252,395	706,153	6,745,255	2,205,847	7,428,541	4,646,578	33,986,980
\$ 562,413	\$ 526,340	\$ 295,253	\$ 404,248	\$ 6,592,995	\$ 2,624,749	\$ 8,168,834	\$ 5,669,297	\$ 46,325,440

Continued

City of Grand Prairie, Texas

Combining Statements of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue				
	Verizon Theatre	Commercial Vehicle Enforcement	Juvenile Case Manager	Truancy Prevention Diversion	Judicial Efficiency
REVENUES					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
Charges for goods and services	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	171,117	6,679	152,257	5,307
Intergovernmental	-	-	-	-	-
Rents and royalties	476,198	-	-	-	-
Interest and investment income (losses)	120,916	14,885	1,819	4,657	1,836
Contributions	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	597,114	186,002	8,498	156,914	7,143
EXPENDITURES					
Current operations:					
Support services	-	-	-	-	-
Public safety services	-	90,655	-	93,658	4,701
Recreation and leisure services	-	-	-	-	-
Development services and other	-	-	-	-	-
Capital outlay	-	4,107	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest charges	-	-	-	-	-
Total expenditures	-	94,762	-	93,658	4,701
Excess (deficiency) of revenues over (under) expenditures	597,114	91,240	8,498	63,256	2,442
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	(25,973)	-	-	-
Bonds issued	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-
Issuance of debt- leases and SBITAs	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	(25,973)	-	-	-
Net change in fund balances	597,114	65,267	8,498	63,256	2,442
Fund balances - beginning of year	1,785,445	423,186	52,401	104,273	58,114
Fund balances - end of year	\$ 2,382,559	\$ 488,453	\$ 60,899	\$ 167,529	\$ 60,556

Capital Projects							Total Nonmajor Governmental Funds
Park Venue CIP	Fire CIP	Municipal Facilities CIP	Drainage CIP	Police CIP	Other CIP	Capital Lending/ Reserve	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,137,554
-	-	-	-	-	-	-	49,031,237
-	-	-	-	-	-	-	6,581,081
-	-	-	-	-	-	-	19,765,346
-	-	-	-	-	-	24,013	946,933
-	-	-	-	-	-	-	612,628
8,480	-	-	-	-	-	-	604,892
-	-	-	-	-	-	807,414	4,530,156
208,605	259,157	1,227,429	871,229	81,138	1,050,874	2,102,362	9,839,714
520,000	-	-	-	-	-	650,000	2,100,531
-	-	-	-	-	-	-	5,555,374
737,085	259,157	1,227,429	871,229	81,138	1,050,874	3,583,789	113,705,446
-	-	-	-	-	-	-	71,163
-	165,717	-	-	-	-	-	13,166,016
960,071	-	-	-	-	150,048	-	35,839,100
-	-	2,149,264	2,137,809	-	3,389,016	62,204	23,772,591
2,799,858	4,955,378	6,981,134	3,968,435	956,846	10,329,995	20,798,152	58,282,867
-	-	-	-	-	-	-	6,125,317
-	-	-	-	-	-	-	2,072,947
3,759,929	5,121,095	9,130,398	6,106,244	956,846	13,869,059	20,860,356	139,330,001
(3,022,844)	(4,861,938)	(7,902,969)	(5,235,015)	(875,708)	(12,818,185)	(17,276,567)	(25,624,555)
3,000,000	-	-	4,415,592	-	1,539,714	2,352,566	23,357,033
-	-	(1,500,000)	-	-	-	(105,500)	(16,187,062)
-	2,013,000	13,893,000	-	700,000	11,954,760	27,188,240	55,749,000
-	-	-	-	-	-	7,099,694	7,099,694
-	-	-	-	-	-	-	51,670
-	-	50,448	-	-	-	-	87,208
3,000,000	2,013,000	12,443,448	4,415,592	700,000	13,494,474	36,535,000	70,157,543
(22,844)	(2,848,938)	4,540,479	(819,423)	(175,708)	676,289	19,258,433	44,532,988
5,401,000	4,122,462	14,637,682	17,306,473	1,469,922	32,786,818	34,131,410	208,821,066
\$ 5,378,156	\$ 1,273,524	\$ 19,178,161	\$ 16,487,050	\$ 1,294,214	\$ 33,463,107	\$ 53,389,843	\$ 253,354,054

Concluded

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Park Venue Sales Tax

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Sales tax	\$ 12,225,714	\$ 12,225,714	\$ 12,287,167	\$ 61,453
Charges for goods and services	2,854,157	2,854,157	3,154,274	300,117
Rents and royalties	992,588	992,588	849,904	(142,684)
Contributions	68,362	68,362	34,277	(34,085)
Interest Income	-	-	433,695	433,695
Other	307,335	307,335	307,565	230
Total revenues	16,448,156	16,448,156	17,066,882	618,726
EXPENDITURES				
Current operations:				
Recreation and leisure services	19,063,747	19,063,747	16,601,431	2,462,316
Development services and other			263,477	
Capital outlay	37,000	37,000	27,370	9,630
Debt service:				
Principal retirement	2,422,149	2,422,149	2,410,168	11,981
Interest charges	275,653	275,653	280,567	(4,914)
Total expenditures	21,798,549	21,798,549	19,583,013	2,479,013
Excess (deficiency) of revenues over (under) expenditures	(5,350,393)	(5,350,393)	(2,516,131)	3,097,739
OTHER FINANCING SOURCES (USES)				
Transfers in	8,730,639	8,730,639	8,747,726	17,087
Transfers out	(3,391,806)	(3,391,806)	(3,348,203)	43,603
Proceeds from sale of capital assets	-	-	4,200	4,200
Issuance of debt- leases and SBITAs	-	-	27,370	27,370
Total other financing sources (uses)	5,338,833	5,338,833	5,431,093	92,260
Net change in fund balances	(11,560)	(11,560)	2,914,962	3,189,999
Fund balances - beginning of year	11,107,972	11,107,972	11,107,972	-
Fund balances - end of year	\$ 11,096,412	\$ 11,096,412	\$ 14,022,934	\$ 3,189,999

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Streets Sales Tax

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Sales tax	\$ 12,225,714	\$ 12,225,714	\$ 12,287,167	\$ 61,453
Interest Income	-	-	191,128	191,128
Total revenues	12,225,714	12,225,714	12,478,295	252,581
EXPENDITURES				
Current operations:				
Development services and other	13,840,107	13,840,107	9,228,175	4,611,932
Capital outlay	-	-	3,135,114	(3,135,114)
Total expenditures	13,840,107	13,840,107	12,363,289	1,476,818
Excess (deficiency) of revenues over (under) expenditures	(1,614,393)	(1,614,393)	115,006	1,729,399
OTHER FINANCING SOURCES (USES)				
Transfers in	1,594,265	1,594,265	1,594,265	-
Total other financing sources (uses)	1,594,265	1,594,265	1,594,265	-
Net change in fund balances	(20,128)	(20,128)	1,709,271	1,729,399
Fund balances - beginning of year	5,353,644	5,353,644	5,353,644	-
Fund balances - end of year	\$ 5,333,516	\$ 5,333,516	\$ 7,062,915	\$ 1,729,399

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Crime Sales Tax Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP	Final Budget-
			Basis	Favorable
				(Unfavorable)
REVENUES				
Sales tax	\$ 12,225,714	\$ 12,225,714	\$ 12,169,736	\$ (55,978)
Intergovernmental revenue	254,528	254,528	330,426	75,898
Interest Income	-	-	427,905	427,905
Total revenues	12,480,242	12,480,242	12,928,067	447,825
EXPENDITURES				
Current operations:				
Public safety services	12,839,946	12,839,946	11,330,921	1,509,025
Capital outlay	322,470	322,470	201,358	121,112
Debt service:				
Principal retirement	47,895	47,895	276,298	(228,403)
Interest charges	-	-	4,723	(4,723)
Total expenditures	13,210,311	13,210,311	11,813,300	1,397,011
Excess (deficiency) of revenues over (under) expenditures	(730,069)	(730,069)	1,114,767	1,844,836
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	283	283
Total other financing sources (uses)	-	-	283	283
Net change in fund balances	(730,069)	(730,069)	1,115,050	1,845,119
Fund balances - beginning of year	9,481,061	9,481,061	9,481,061	-
Fund balances - end of year	\$ 8,750,992	\$ 8,750,992	\$ 10,596,111	\$ 1,845,119

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget to Actual – Epic Center Sales Tax Fund For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Sales tax	\$ 12,225,714	\$ 12,225,714	\$ 12,287,167	\$ 61,453
Charges for goods and services	2,747,500	2,747,500	3,489,229	741,729
Rents and royalties	650,000	650,000	642,485	(7,515)
Contributions	3,261,496	3,261,496	862,809	(2,398,687)
Interest Income	115,000	115,000	282,180	167,180
Other	4,510,000	4,510,000	7,242,654	2,732,654
Total revenues	23,509,710	23,509,710	24,806,524	1,296,814
EXPENDITURES				
Current operations:				
Recreation and leisure services	10,616,703	10,616,703	9,532,437	1,084,266
Development services and other	90,141	90,141	90,141	-
Capital outlay	29,700	29,700	11,773	17,927
Debt service:				
Principal retirement	3,297,316	3,297,316	3,296,779	537
Interest charges	1,769,948	1,769,948	1,767,764	2,184
Total expenditures	15,803,808	15,803,808	14,698,894	1,104,914
Excess (deficiency) of revenues over (under) expenditures	7,705,902	7,705,902	10,107,630	2,401,728
OTHER FINANCING SOURCES (USES)				
Transfers in	958,468	958,468	912,653	(45,815)
Transfers out	(10,304,058)	(10,304,058)	(8,931,792)	1,372,266
Issuance of debt- leases and SBITAs	-	-	4,348	4,348
Proceeds from sale of capital assets	-	-	1,054	1,054
Total other financing sources (uses)	(9,345,590)	(9,345,590)	(8,013,737)	1,331,853
Net change in fund balances	(1,639,688)	(1,639,688)	2,093,893	3,733,581
Fund balances - beginning of year	8,302,614	8,302,614	8,302,614	-
Fund balances - end of year	\$ 6,662,926	\$ 6,662,926	\$ 10,396,507	\$ 3,733,581

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget To Actual – Hotel/Motel Sales Tax Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Other taxes	\$ 3,200,000	\$ 3,200,000	\$ 4,177,330	\$ 977,330
Charges for goods and services	10,750	10,750	10,771	21
Interest Income	-	-	181,396	181,396
Other	200	200	71	(129)
Total revenues	3,210,950	3,210,950	4,369,568	1,158,618
EXPENDITURES				
Current operations:				
Recreation and leisure services	3,524,351	3,524,351	2,318,012	1,206,339
Capital outlay	76,258	76,258	64,445	11,813
Debt service:				
Principal	3,732	3,732	1,666	2,066
Interest Charges	-	-	70	(70)
Total expenditures	3,604,341	3,604,341	2,384,193	1,220,148
Excess (deficiency) of revenues over (under) expenditures	(393,391)	(393,391)	1,985,375	2,378,766
OTHER FINANCING USES				
Transfers out	(721,500)	(721,500)	(819,153)	(97,653)
Issuance of debt- leases and SBITAs	-	-	5,794	5,794
Proceeds from sale of capital assets	-	-	5,618	5,618
Total other financing uses	(721,500)	(721,500)	(807,741)	(86,241)
Net change in fund balances	(1,114,891)	(1,114,891)	1,177,634	2,292,525
Fund balances - beginning of year	5,304,333	5,304,333	5,304,333	-
Fund balances - end of year	\$ 4,189,442	\$ 4,189,442	\$ 6,481,967	\$ 2,292,525

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Municipal Court Funds

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Fines and forfeitures	\$ 205,000	\$ 205,000	\$ 277,268	\$ 72,268
Intergovernmental	-	-	754	754
Interest Income	-	-	18,093	18,093
Total revenues	205,000	205,000	296,115	91,115
EXPENDITURES				
Current operations:				
Public safety	181,029	181,029	128,151	52,878
Total expenditures	181,029	181,029	128,151	52,878
Excess (deficiency) of revenues over (under) expenditures	23,971	23,971	167,964	143,993
Fund balances - beginning of year	358,376	358,376	358,376	-
Fund balances - end of year	\$ 382,347	\$ 382,347	\$ 526,340	\$ 143,239

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Cable Operations Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Interest Income	\$ -	\$ -	\$ 14,019	\$ 14,019
Other	93,000	93,000	116,958	23,958
Total revenues	93,000	93,000	130,977	37,977
EXPENDITURES				
Current operations:				
Support services	97,571	97,571	71,163	26,408
Debt service:				
Interest Charges	-	25,000	17,605	7,395
Total expenditures	97,571	122,571	88,768	33,803
Excess (deficiency) of revenues over (under) expenditures	(4,571)	(29,571)	42,209	71,780
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	649	649
Total other financing sources (uses)	-	-	649	649
Net change in fund balances	(4,571)	(29,571)	42,858	72,429
Fund balances - beginning of year	252,395	252,395	252,395	-
Fund balances - end of year	\$ 247,824	\$ 222,824	\$ 295,253	\$ 72,429

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Red Light Safety Fund

For the Year Ended September 30, 2025

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u>	<u>Final Budget-</u>
			<u>Basis</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>
REVENUES				
Interest Income	\$ -	\$ -	\$ 20,525	\$ 20,525
Total revenues	-	-	20,525	20,525
EXPENDITURES				
Current operations:				
Public safety services	498,098	498,098	187,430	310,668
Total expenditures	498,098	498,098	187,430	310,668
Excess (deficiency) of revenues over (under) expenditures	(498,098)	(498,098)	(166,905)	331,193
OTHER FINANCING USES				
Transfers out	135,000	135,000	(135,000)	(270,000)
Total other financing uses	135,000	135,000	(135,000)	(270,000)
Net change in fund balances	(363,098)	(363,098)	(301,905)	61,193
Fund balances - beginning of year	706,153	706,153	706,153	-
Fund balances - end of year	\$ 343,055	\$ 343,055	\$ 404,248	\$ 61,193

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Lake Parks Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Charges for goods and services	\$ 4,101,392	\$ 4,101,392	\$ 3,534,588	\$ (566,804)
Licenses and permits	250,000	250,000	207,580	(42,420)
Interest Income	-	-	259,198	259,198
Rents and royalties	1,715,645	1,715,645	1,754,155	38,510
Contributions	55,000	55,000	21,600	(33,400)
Other	366,644	366,644	154,523	(212,121)
Total revenue	6,488,681	6,488,681	5,931,644	(557,037)
EXPENDITURES				
Current operations:				
Recreation and leisure services	4,828,597	4,828,597	4,669,414	159,183
Capital outlay	350,000	350,000	304,500	45,500
Debt service:				
Principal retirement	33,526	33,526	7,027	26,499
Interest charges	-	-	180	(180)
Total expenditures	5,212,123	5,212,123	4,981,121	231,002
Excess (deficiency) of revenues over (under) expenditures	1,276,558	1,276,558	950,523	(326,035)
OTHER FINANCING SOURCES (USES)				
Transfers in	9,000	9,000	9,000	-
Transfers out	(1,135,214)	(1,135,214)	(1,135,214)	-
Issuance of debt- leases and SBITAs	-	-	11,429	11,429
Proceeds from sale of capital assets	-	-	12,002	12,002
Total other financing sources (uses)	(1,126,214)	(1,126,214)	(1,102,783)	23,431
Net change in fund balances	150,344	150,344	(152,260)	(302,604)
Fund balances - beginning of year	6,745,255	6,745,255	6,745,255	-
Fund balances - end of year	\$ 6,895,599	\$ 6,895,599	\$ 6,592,995	\$ (302,604)

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Tree Preservation Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP	Final Budget-
			Basis	Favorable
				(Unfavorable)
REVENUES				
Licenses and permits	\$ -	\$ -	\$ 715,340	\$ 715,340
Interest Income	-	-	77,883	77,883
Total revenues	-	-	793,223	793,223
EXPENDITURES				
Current operations:				
Recreation and leisure services	-	1,140,404	374,321	766,083
Total expenditures	-	1,140,404	374,321	766,083
Excess (deficiency) of revenues over (under) expenditures	-	(1,140,404)	418,902	1,559,306
Fund balances - beginning of year	2,205,847	2,205,847	2,205,847	-
Fund balances - end of year	\$ 2,205,847	\$ 1,065,443	\$ 2,624,749	\$ 1,559,306

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual –Cemetery Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget-Favorable (Unfavorable)
REVENUES				
Charges for goods and services	\$ 2,143,398	\$ 2,143,398	\$ 1,729,465	\$ (413,933)
Interest Income	-	-	341,913	341,913
Total revenues	2,143,398	2,143,398	2,071,378	(72,020)
EXPENDITURES				
Current operations:				
Recreation and leisure services	1,464,525	1,464,525	1,233,366	231,159
Capital outlay	60,000	60,000	106,749	(46,749)
Debt Service				
Principal payments	1,668	1,668	879	789
Interest Charges	-	-	38	(38)
Total expenditures	1,526,193	1,526,193	1,341,032	185,161
Excess (deficiency) of revenues over (under) expenditures	617,205	617,205	730,346	113,141
OTHER FINANCING USES				
Proceeds from sale of capital assets	-	-	7,218	7,218
Issuance of debt- leases and SBITAs	-	-	2,729	2,729
Total other financing uses	-	-	9,947	9,947
Net change in fund balances	617,205	617,205	740,293	123,088
Fund balances - beginning of year	7,428,541	7,428,541	7,428,541	-
Fund balances - end of year	\$ 8,045,746	\$ 8,045,746	\$ 8,168,834	\$ 123,088

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual –PID Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP	Final Budget-
			Basis	Favorable
				(Unfavorable)
REVENUES				
Charges for goods and services	\$ 7,814,360	\$ 7,814,360	\$ 7,847,019	\$ 32,659
Interest Income	106,160	106,160	258,083	151,923
Contributions	20,695	20,695	11,845	(8,850)
Total revenue	7,941,215	7,941,215	8,116,947	175,732
EXPENDITURES				
Current operations:				
Recreation and leisure services	7,243,417	7,243,417	6,452,505	790,912
Capital outlay	2,592,500	2,592,500	1,082,249	1,510,251
Debt service:				
Principal retirement	289,050	289,050	132,500	156,550
Interest charges	2,000	2,000	2,000	-
Total expenditures	10,126,967	10,126,967	7,669,254	2,457,713
Excess (deficiency) of revenues over (under) expenditures	(2,185,752)	(2,185,752)	447,693	2,633,445
OTHER FINANCING SOURCES (USES)				
Transfers in	590,456	590,456	590,456	-
Transfers out	(127,160)	(127,160)	(21,166)	105,994
Proceeds from sale of capital assets	-	-	5,736	5,736
Total other financing sources (uses)	463,296	463,296	575,026	111,730
Net change in fund balances	(1,722,456)	(1,722,456)	1,022,719	2,745,175
Fund balances - beginning of year	4,646,578	4,646,578	4,646,578	-
Fund balances - end of year	\$ 2,924,122	\$ 2,924,122	\$ 5,669,297	\$ 2,745,175

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget to Actual –Commercial Vehicle Enforcement Fund For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP	Final Budget- Favorable (Unfavorable)
			Basis	
REVENUES				
Fines and forfeitures	\$ 140,000	\$ 140,000	\$ 171,117	\$ 31,117
Interest Income	-	-	14,885	14,885
Total revenues	140,000	140,000	186,002	46,002
EXPENDITURES				
Current operations:				
Public safety services	114,790	114,790	90,655	24,135
Capital outlay	4,107	4,107	4,107	-
Total expenditures	118,897	118,897	94,762	24,135
Excess (deficiency) of revenues over (under) expenditures	21,103	21,103	91,240	70,137
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(25,973)	(25,973)	-
Total other financing sources (uses)	-	(25,973)	(25,973)	-
Net change in fund balances	21,103.00	(4,870)	65,267	70,137
Fund balances - beginning of year	423,186.00	423,186	423,186	-
Fund balances - end of year	\$ 444,289.00	\$ 418,316	\$ 488,453	\$ 70,137

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Juvenile Case Manager Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP Basis	Final Budget- Favorable (Unfavorable)
REVENUES				
Fines and forfeitures	\$ -	\$ -	\$ 6,679	\$ 6,679
Interest Income	-	-	1,819	1,819
Total revenues	-	-	8,498	8,498
Excess (deficiency) of revenues over (under) expenditures	-	-	8,498	8,498
Fund balances - beginning of year	-	-	52,401	52,401
Fund balances - end of year	\$ -	\$ -	\$ 60,899	\$ 60,899

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Truancy Prevention Diversion Fund

For the Year Ended September 30, 2025

	Budget		Actual	Variance with
	Original	Final	GAAP	Final Budget-
			Basis	Favorable
				(Unfavorable)
REVENUES				
Fines and forfeitures	\$ 116,000	\$ 116,000	\$ 152,257	\$ 36,257
Interest Income	-	-	4,657	4,657
Total revenues	116,000	116,000	156,914	40,914
EXPENDITURES				
Current operations:				
Public safety services	97,193	97,193	93,658	3,535
Total expenditures	97,193	97,193	93,658	3,535
Excess (deficiency) of revenues over (under) expenditures	18,807	18,807	63,256	44,449
Fund balances - beginning of year	104,273	104,273	104,273	-
Fund balances - end of year	\$ 123,080	\$ 123,080	\$ 167,529	\$ 44,449

City of Grand Prairie, Texas

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual – Judicial Efficiency Fund

For the Year Ended September 30, 2025

	Budget		Actual GAAP Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 5,726	\$ 5,726	\$ 7,143	\$ 1,417
Total revenues	5,726	5,726	7,143	1,417
EXPENDITURES				
Current operations:				
Public safety services	10,600	10,600	4,701	5,899
Total expenditures	10,600	10,600	4,701	5,899
Excess (deficiency) of revenues over (under) expenditures	(4,874)	(4,874)	2,442	7,316
Fund balances - beginning of year	58,114	58,114	58,114	-
Fund balances - end of year	\$ 53,240	\$ 53,240	\$ 60,556	\$ 7,316

City of Grand Prairie, Texas
Combining Financial Statements
Nonmajor Enterprise Funds
September 30, 2025

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the City Council is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the City Council has decided that periodic determination of revenues earned, expenses incurred, and/or net income (loss), is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The reporting entity has three nonmajor enterprise funds which include:

- “ Municipal Airport Fund – accounts for the Grand Prairie Municipal Airport, a general aviation airport which has revenues from fixed-base operators' leases, City-owned hangar leases, and fuel sales. City employees operate and maintain airport facilities.
- “ Municipal Golf Fund – accounts for the operations and maintenance of the Prairie Lakes Golf Course and the Tangle Ridge Golf Course.
- “ Storm Water Utility Fund – accounts for the receipt of storm water utility fees for construction, operations, and maintenance of the City's storm water drainage system.

City of Grand Prairie, Texas

Combining Statements of Net Position Nonmajor Enterprise Funds September 30, 2025

	Municipal Airport	Municipal Golf	Storm Water Utility	Total Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Cash, cash equivalents and investments	\$ 1,175,213	\$ 4,028,183	\$ 3,219,258	\$ 8,422,654
Lease receivables	9,695	-	-	9,695
Accounts receivable, net	171,835	62,559	601,740	836,134
Inventories and supplies	99,841	33,897	-	133,738
Restricted assets:				
Cash, cash equivalents and investments	86,311	-	-	86,311
Total current assets	1,542,895	4,124,639	3,820,998	9,488,532
Noncurrent assets:				
Capital assets:				
Land	183,923	568,284	7,500	759,707
Buildings	16,567,196	1,896,265	-	18,463,461
Equipment	991,204	918,111	991,167	2,900,482
Infrastructure	12,719,595	9,975,109	44,161,021	66,855,725
Right to use leased assets	2,729	898,402	-	901,131
Construction in progress	79,925	-	-	79,925
Less: accumulated depreciation/ amortization	(17,417,963)	(12,464,623)	(10,986,835)	(40,869,421)
Total noncurrent assets	13,126,609	1,791,548	34,172,853	49,091,010
Total assets	14,669,504	5,916,187	37,993,851	58,579,542
DEFERRED OUTFLOWS OF RESOURCES				
Related to OPEB	33,163	89,197	94,915	217,275
Related to TMRS pension	100,846	271,242	288,630	660,718
Total deferred outflows	134,009	360,439	383,545	877,993
LIABILITIES				
Current liabilities:				
Accounts payable	45,791	232,612	98,092	376,495
Accrued liabilities	18,161	51,255	47,796	117,212
Compensated absences	55,331	119,500	78,324	253,155
Unearned revenue	69,847	-	-	69,847
Current portion of long-term debt	1,298	181,324	-	182,622
Current liabilities payable from restricted assets:				
Customer deposits	86,311	-	-	86,311
Total current liabilities	276,739	584,691	224,212	1,085,642
Noncurrent liabilities:				
Compensated absences	96,818	240,635	92,113	429,566
Other post-employment benefits	216,681	582,797	620,156	1,419,634
Net pension liability	23,894	64,267	68,387	156,548
Long-term debt	552	602,857	-	603,409
Total noncurrent liabilities	337,945	1,490,556	780,656	2,609,157
Total liabilities	614,684	2,075,247	1,004,868	3,694,799
DEFERRED INFLOWS OF RESOURCES				
Related to leases	9,584	-	-	9,584
Related to OPEB	39,356	105,855	112,641	257,852
Related to TMRS pension	42,205	113,516	120,793	276,514
Total deferred inflows of resources	91,145	219,371	233,434	543,950
NET POSITION				
Net investment in capital assets	13,124,759	1,007,367	34,172,853	48,304,979
Unrestricted	972,925	2,974,641	2,966,241	6,913,807
Total net position	\$ 14,097,684	\$ 3,982,008	\$ 37,139,094	\$ 55,218,786

City of Grand Prairie, Texas

Combining Statements of Revenues, Expenses,
and Changes In Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2025

	Municipal Airport	Municipal Golf	Storm Water Utility	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charge for services	\$ 1,845,969	\$ 4,344,597	\$ 8,422,929	\$ 14,613,495
Intergovernmental revenue	203,546	-	-	203,546
Miscellaneous	814,040	2,023	-	816,063
Total operating revenues	2,863,555	4,346,620	8,422,929	15,633,104
OPERATING EXPENSES				
Salaries and benefits	699,312	2,207,683	1,875,194	4,782,189
Supplies and miscellaneous purchases	1,195,212	433,939	46,804	1,675,955
Purchased services	447,726	1,281,506	790,849	2,520,081
General and administrative costs	72,045	-	166,154	238,199
Franchise fees	-	-	336,986	336,986
Miscellaneous	168,616	191,907	523,011	883,534
Depreciation/amortization	930,444	307,944	1,247,677	2,486,065
Total operating expenses	3,513,355	4,422,979	4,986,675	12,923,009
Operating income (loss)	(649,800)	(76,359)	3,436,254	2,710,095
NONOPERATING REVENUES (EXPENSES)				
Gain (loss) on disposition of capital assets	184,999	694	-	185,693
Interest Income	46,476	131,973	148,074	326,523
Interest expense	(38)	(13,454)	-	(13,492)
Total nonoperating revenues (expenses)	231,437	119,213	148,074	498,724
Income (loss) before contributions and transfers	(418,363)	42,854	3,584,328	3,208,819
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	-	-	5,645,014	5,645,014
Transfers out-capital assets	-	-	(9,605)	(9,605)
Transfers in	422,768	-	-	422,768
Transfers out	(148,000)	-	(4,415,592)	(4,563,592)
Total contributions and transfers	274,768	-	1,219,817	1,494,585
Change in net position	(143,595)	42,854	4,804,145	4,703,404
Net position - beginning of the year	14,241,279	3,939,154	32,334,949	50,515,382
Net position - end of year	\$ 14,097,684	\$ 3,982,008	\$ 37,139,094	\$ 55,218,786

City of Grand Prairie, Texas
Combining Statements of Cash Flow
Nonmajor Enterprise Funds
For the Year Ended September 30, 2025

	Municipal Airport	Municipal Golf	Storm Water Utility	Total Nonmajor Enterprise Funds
CASH FLOW FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 1,793,352	\$ 4,379,789	\$ 8,453,987	\$ 14,627,128
Cash receipts from other governments	203,546	-	-	203,546
Other operating cash receipts	814,040	2,023	-	816,063
Cash payments to suppliers for goods and services	(1,932,696)	(1,727,363)	(1,306,082)	(4,966,141)
Cash payments to employees for services	(586,940)	(1,852,129)	(1,604,386)	(4,043,455)
Cash payments for interfund services used	-	-	(336,986)	(336,986)
Other operating cash payments	(72,045)	-	(166,154)	(238,199)
Net cash provided by (used in) operating activities	219,257	802,320	5,040,379	6,061,956
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers from other funds	422,768	-	-	422,768
Transfers to other funds	(148,000)	-	(4,415,592)	(4,563,592)
Net cash provided by (used in) non-capital financing activities	274,768	-	(4,415,592)	(4,140,824)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from issuance of liabilities	(1,850)	(784,181)	-	(786,031)
Proceeds from disposition of capital assets	184,999	647,407	-	832,406
Acquisition and construction of capital assets	(1,292,239)	(133,804)	(104,020)	(1,530,063)
Interest paid on debt	-	(13,454)	-	(13,454)
Net cash provided by (used in) capital and related financing activities	(1,109,090)	(284,032)	(104,020)	(1,497,142)
Cash flows from investing activities:				
Interest received on investments	46,476	131,973	148,074	326,523
Net cash provided by investing activities	46,476	131,973	148,074	326,523
Net (decrease) increase in cash and cash equivalents	(568,589)	650,261	668,841	750,513
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,830,113</u>	<u>3,377,922</u>	<u>2,550,417</u>	<u>7,758,452</u>
CASH AND CASH EQUIVALENTS end of year	<u>\$ 1,261,524</u>	<u>\$ 4,028,183</u>	<u>\$ 3,219,258</u>	<u>\$ 8,508,965</u>
Reconciliation of operating income (loss) from operations to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (649,800)	\$ (76,359)	\$ 3,436,254	\$ 2,710,095
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation/amortization	930,444	307,944	1,247,677	2,486,065
Changes in assets and liabilities:				
(Increase) decrease in other accounts receivable	(54,047)	35,192	31,058	12,203
(Increase) decrease in inventories and supplies	(29,400)	37,993	-	8,593
(Increase) decrease in prepaids	-	33,600	-	33,600
Increase (decrease) in accounts payable	(81,875)	99,051	40,277	57,453
Increase (decrease) in accrued liabilities	1,075	9,456	14,305	24,836
Increase (decrease) in customer deposits	1,430	-	-	1,430
Increase (decrease) in unearned revenue	(10,942)	(111)	-	(11,053)
Increase (decrease) in compensated absences	104,968	295,716	122,060	522,744
Increase (decrease) in OPEB liability	(13,227)	16,581	128,788	132,142
Increase (decrease) in pension liability	20,631	43,257	19,960	83,848
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 219,257</u>	<u>\$ 802,320</u>	<u>\$ 5,040,379</u>	<u>\$ 6,061,956</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Capital contributions from developers/granting agencies	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,645,014</u>	<u>\$ 5,645,014</u>

City of Grand Prairie, Texas
Combining Financial Statements
Internal Service Funds
September 30, 2025

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the city:

- “ Fleet Services Fund – accounts for a full range of services in managing and maintaining the City's fleet of vehicles and equipment. This fund does not own the city fleet.
- “ Risk Management Fund – accounts for premiums, deductibles, and claims for all types of City's insurance.

City of Grand Prairie, Texas

Combining Statements of Net Position

Internal Service Funds

September 30, 2025

	Fleet Services	Risk Management	Total Internal Service Funds
ASSETS			
Current assets:			
Cash, cash equivalents and investments	\$ 5,791,600	\$ 26,817,740	\$ 32,609,340
Other receivables	481	-	481
Inventories and supplies	168,193	-	168,193
Total current assets	5,960,274	26,817,740	32,778,014
Noncurrent assets:			
Capital assets:			
Land	737,566	-	737,566
Buildings	1,786,690	227,700	2,014,390
Equipment	2,242,966	900,096	3,143,062
Infrastructure	200,000	-	200,000
Right to use leased assets	517	-	517
Less: accumulated depreciation/ amortization	(3,852,612)	(973,320)	(4,825,932)
Total noncurrent assets	1,115,127	154,476	1,269,603
Total assets	7,075,401	26,972,216	34,047,617
DEFERRED OUTFLOWS OF RESOURCES			
Related to OPEB	137,226	34,307	171,533
Related to TMRS pension	417,296	104,324	521,620
Total deferred outflows	554,522	138,631	693,153
LIABILITIES			
Current liabilities:			
Accounts payable	209,334	379,550	588,884
Accrued liabilities	67,788	5,851,343	5,919,131
Long-term debt due within one year	368	-	368
Compensated absences	122,830	29,213	152,043
Total current liabilities	400,320	6,260,106	6,660,426
Noncurrent liabilities:			
Compensated absences	225,370	29,244	254,614
Other post-employment benefits	896,611	224,154	1,120,765
Net pension liability	98,872	24,718	123,590
Total noncurrent liabilities	1,220,853	278,116	1,498,969
Total liabilities	1,621,173	6,538,222	8,159,395
DEFERRED INFLOWS OF RESOURCES			
Related to OPEB	122,322	30,310	152,632
Related to TMRS pension	215,172	54,064	269,236
Total deferred inflows of resources	337,494	84,374	421,868
NET POSITION			
Net investment in capital assets	1,115,127	154,476	1,269,603
Unrestricted	4,556,129	20,333,775	24,889,904
Total net position	<u>\$ 5,671,256</u>	<u>\$ 20,488,251</u>	<u>\$ 26,159,507</u>

City of Grand Prairie, Texas

Combining Statements of Revenues, Expenses, and
Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2025

	Fleet Services	Risk Management	Total Internal Service Funds
OPERATING REVENUES			
Charge for services	\$ 7,952,892	\$ -	\$ 7,952,892
Intergovernmental	-	32,366,685	32,366,685
Miscellaneous	1,150,135	52,109	1,202,244
Total operating revenues	9,103,027	32,418,794	41,521,821
OPERATING EXPENSES			
Salaries and benefits	2,795,027	685,786	3,480,813
Supplies and miscellaneous purchases	3,981,582	2,596	3,984,178
Purchased services	1,502,465	280,309	1,782,774
Insurance claims	637,138	31,297,420	31,934,558
Miscellaneous	313,128	2,060,017	2,373,145
Interest expense	6	-	6
Depreciation/ amortization	99,190	75,176	174,366
Total operating expenses	9,328,536	34,401,304	43,729,840
Operating income (loss)	(225,509)	(1,982,510)	(2,208,019)
NONOPERATING REVENUES (EXPENSES)			
Interest Income	224,498	1,418,571	1,643,069
Gain (loss) on disposition of capital assets	5,197	-	5,197
Total nonoperating revenues (expenses)	229,695	1,418,571	1,648,266
Income before contributions and transfers	4,186	(563,939)	(559,753)
CONTRIBUTIONS AND TRANSFERS			
Transfers out	-	(422,768)	(422,768)
Total contributions and transfers	-	(422,768)	(422,768)
Change in net position	4,186	(986,707)	(982,521)
Net position - beginning of year	5,667,070	21,474,958	27,142,028
Net position - end of year	\$ 5,671,256	\$ 20,488,251	\$ 26,159,507

City of Grand Prairie, Texas
Combining Statements of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2025

	Fleet Services	Risk Management	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from city and employee contributions	\$ -	\$ 32,366,685	\$ 32,366,685
Cash received from interfund services provided	7,952,622	-	7,952,622
Other operating cash receipts	1,150,135	52,109	1,202,244
Cash payments to suppliers for goods and services	(6,407,343)	(2,911,422)	(9,318,765)
Cash payments to employees for services	(2,385,729)	(89,812)	(2,475,541)
Cash payments for interfund services used	-	(31,297,420)	(31,297,420)
Net cash provided by (used in) operating activities	309,685	(1,879,860)	(1,570,175)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers to other funds	-	(422,768)	(422,768)
Net cash provided by (used in) non-capital financing activities	-	(422,768)	(422,768)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital assets disposals	5,197	-	5,197
Acquisition of capital assets	(8,812)	(11,653)	(20,465)
Interest paid on debt	(6)	-	(6)
Net cash provided by (used in) capital and related financing activities	(3,621)	(11,653)	(15,274)
Cash flows from investing activities:			
Interest received on investments	224,498	1,418,571	1,643,069
Net cash provided by (used in) investing activities	224,498	1,418,571	1,643,069
Net (decrease) increase in cash and cash equivalents	530,562	(895,710)	(365,148)
CASH AND CASH EQUIVALENTS, beginning of year	<u>5,261,038</u>	<u>27,713,450</u>	<u>32,974,488</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 5,791,600</u>	<u>\$ 26,817,740</u>	<u>\$ 32,609,340</u>
RECONCILIATION OF OPERATING INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ (225,509)	\$ (1,982,510)	\$ (2,208,019)
Adjustments to operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation/amortization	99,190	75,176	174,366
Changes in assets and liabilities:			
(Increase) decrease in inventories and supplies	(14,564)	-	(14,564)
(Increase) decrease in other receivables	(270)	-	(270)
Increase (decrease) in accounts payable	41,540	(568,500)	(526,960)
Increase (decrease) in accrued liabilities	13,777	511,501	525,278
Increase (decrease) in compensated absences	255,242	47,989	303,231
Increase (decrease) in OPEB liability	47,975	13,569	61,544
Increase (decrease) in pension liability	92,304	22,915	115,219
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 309,685</u>	<u>\$ (1,879,860)</u>	<u>\$ (1,570,175)</u>

City of Grand Prairie, Texas

Governmental Fund- Discretely Presented Component Unit

September 30, 2025

Component Units are required to be presented alongside the City's financial statements as the City is ultimately financially accountable for them. The City has two discretely presented component units that qualify as governmental funds.

Local Government Corporation – for the purpose of aiding, assisting, and acting on behalf of the City, in the performance of its governmental functions to promote economic development through acquisition, development, and redevelopment of real property within the City.

Hotel Development Corporation – for the purpose of aiding, assisting, and acting on behalf of the City in performance of its governmental functions to promote the common good and general welfare of the City, the promotion of economic development, the acquisition, development, and redevelopment, of real property, construction of City facilities, to lease City facilities including a hotel and conference center.

City of Grand Prairie, Texas

Balance Sheet

Governmental Fund- Discretely Presented Component Unit

Local Government Corporation and Hotel Development Corporation

September 30, 2025

	Local Government Corporation	Hotel Development Corporation
ASSETS		
Cash, cash equivalents and investments	<u>\$ 242,582</u>	<u>\$ 135,575</u>
Total assets	242,582	1,441,829
LIABILITIES		
Accounts payable	<u>-</u>	<u>929,996</u>
Total liabilities	-	929,996
FUND BALANCES		
Restricted	<u>242,582</u>	<u>511,833</u>
Total fund balances	<u>242,582</u>	<u>511,833</u>

City of Grand Prairie, Texas

Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Position
Governmental Fund- Discretely Presented Component Unit
Local Government Corporation and Hotel Development Corporation
September 30, 2025

Total fund balance - total governmental fund	\$	242,582	\$	511,833
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		<u>17,231,353</u>		<u>-</u>
Net position of governmental activities	\$	<u>17,473,935</u>	\$	<u>511,833</u>

City of Grand Prairie, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balance Government Fund- Discretely Presented Component Unit Local Government Corporation and Hotel Development Corporation For the Year Ended September 30, 2025

	Local Government Corporation	Hotel Development Corporation
REVENUES		
Charges for goods and services	\$ 68	\$ 14,940,950
Investment income	<u>3,849</u>	
Total revenues	3,917	14,940,950
EXPENDITURES		
Current operations:		
Purchased Services	<u>36,469</u>	<u>14,589,153</u>
Total expenditures	<u>36,469</u>	<u>14,589,153</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,552)</u>	<u>351,797</u>
Net change in fund balances	(32,552)	351,797
Fund balances - beginning of year	<u>275,134</u>	<u>160,036</u>
Fund balances - end of year	<u><u>\$ 242,582</u></u>	<u><u>\$ 511,833</u></u>

City of Grand Prairie, Texas

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Activities to the Statement of Activities
Governmental Fund- Discretely Presented Component Unit
Local Government Corporation and Hotel Development Corporation
For the Year Ended September 30, 2025

Net change in fund balances - total governmental fund	\$	(32,552)	\$	351,797
Amounts reported for governmental activities in the statement of activities are different because:				
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.				
		-		-
Change in net position of governmental activities	\$	(32,552)	\$	351,797

Statistical Section



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City of Grand Prairie, Texas

Annual Comprehensive Financial Report

For the Year Ended September 30, 2025

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City of Grand Prairie, Texas

Net Position by Component (Unaudited)

Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 308,745,566	\$ 278,750,450	\$ 266,214,537	\$ 311,019,615
Restricted	57,404,183	80,454,171	81,030,788	58,899,457
Unrestricted	41,953,800	46,202,814	10,497,407	4,163,774
Total governmental activities net position	\$ 408,103,549	\$ 405,407,435	\$ 357,742,732	\$ 374,082,846
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 166,071,343	\$ 174,505,410	\$ 173,815,271	\$ 176,239,658
Restricted	15,366,214	34,704,441	45,622,261	59,346,971
Unrestricted	55,565,327	40,424,846	38,998,317	35,349,141
Total business-type activities net position	\$ 237,002,884	\$ 249,634,697	\$ 258,435,849	\$ 270,935,770
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 474,816,909	\$ 453,255,860	\$ 440,029,808	\$ 487,259,273
Restricted	72,770,397	115,158,612	126,653,049	118,246,428
Unrestricted	97,519,127	86,627,660	49,495,724	39,512,915
Total primary government net position	\$ 645,106,433	\$ 655,042,132	\$ 616,178,581	\$ 645,018,616

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 336,590,522	\$ 356,640,773	\$ 278,165,484	\$ 283,762,391	\$ 314,515,375	\$ 336,608,706
58,788,228	76,342,878	88,704,308	94,502,188	158,436,134	161,292,398
701,455	(16,482,733)	3,757,236	83,511,094	69,728,815	80,684,172
<u>\$ 396,080,205</u>	<u>\$ 416,500,918</u>	<u>\$ 370,627,028</u>	<u>\$ 461,775,673</u>	<u>\$ 542,680,324</u>	<u>\$ 578,585,276</u>
\$ 193,394,660	\$ 207,008,523	\$ 226,679,275	\$ 247,193,475	\$ 252,357,719	\$ 274,762,633
61,272,475	88,209,339	71,894,451	67,482,940	70,606,350	69,754,334
33,692,679	12,715,651	37,780,563	52,882,102	83,125,979	105,769,770
<u>\$ 288,359,814</u>	<u>\$ 307,933,513</u>	<u>\$ 336,354,289</u>	<u>\$ 367,558,517</u>	<u>\$ 406,090,048</u>	<u>\$ 450,286,737</u>
\$ 529,985,182	\$ 563,649,296	\$ 504,844,759	\$ 530,955,866	\$ 566,873,094	\$ 611,371,339
120,060,703	164,552,217	160,598,759	161,985,128	229,042,484	231,046,732
34,394,134	(3,767,082)	41,537,799	136,393,196	152,854,794	186,453,942
<u>\$ 684,440,019</u>	<u>\$ 724,434,431</u>	<u>\$ 706,981,317</u>	<u>\$ 829,334,190</u>	<u>\$ 948,770,372</u>	<u>\$ 1,028,872,013</u>

City of Grand Prairie, Texas

Changes in Net Position

Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
EXPENSES				
Governmental activities:				
Support services	\$ 23,045,026	\$ 26,731,588	\$ 27,614,430	\$ 30,669,782
Public safety services	91,860,495	100,253,923	101,033,502	109,767,831
Recreation and leisure services	29,709,690	32,962,890	34,529,152	35,232,643
Development services	88,963,122	90,088,069	97,241,362	102,740,890
Interest on long-term debt	12,374,896	12,108,299	12,481,762	14,987,576
Total governmental activities expenses	245,953,229	262,144,769	272,900,208	293,398,722
Business-type activities:				
Water and wastewater	66,351,005	70,569,705	72,412,983	74,389,255
Solid waste	11,438,507	12,317,620	12,339,638	13,009,026
Municipal airport	2,141,279	2,572,623	2,744,301	2,962,253
Municipal golf course	3,307,890	3,497,955	3,309,267	3,458,592
Storm water	1,809,656	2,425,177	2,446,788	2,647,816
Total business-type activities expenses	85,048,337	91,383,080	93,252,977	96,466,942
Total primary government expenses	331,001,566	353,527,849	366,153,185	389,865,664
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
Support services	5,048,092	5,364,023	5,539,941	5,980,183
Public safety services	18,121,839	21,150,257	17,180,107	16,094,926
Recreation and leisure services	9,686,261	11,059,324	13,029,253	13,181,720
Development services	12,169,331	12,775,450	13,913,703	15,932,228
Operating grants and contributions	37,024,064	35,572,942	35,266,428	39,865,579
Capital grants and contributions	8,807,012	8,305,146	3,971,782	8,575,572
Total governmental activities program revenues	90,856,599	94,227,142	88,901,214	99,630,208
Business-type activities:				
Charges for services:				
Water and wastewater	67,612,109	72,668,796	77,556,058	74,890,101
Solid waste	11,816,094	12,863,659	13,208,778	14,117,342
Municipal airport	2,678,090	1,862,633	2,238,508	2,189,495
Municipal golf course	2,494,513	2,573,002	2,453,543	2,283,669
Storm water	5,631,420	6,356,774	6,864,323	7,210,656
Operating grants and contributions	37,320	47,918	67,537	31,007
Capital grants and contributions	16,653,153	12,892,511	11,983,724	15,541,642
Total business-type activities	106,922,699	109,265,293	114,372,471	116,263,912
Total primary government	197,779,298	203,492,435	203,273,685	215,894,120

Note: Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the change in net position as previously stated.

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 31,310,741	\$ 31,880,593	\$ 42,577,765	\$ 36,361,373	\$ 43,931,965	\$ 51,371,938
113,728,877	105,285,879	150,998,097	97,434,247	121,154,824	144,351,640
32,949,455	35,162,022	47,995,577	45,307,845	48,149,627	56,541,791
110,126,929	109,073,042	129,085,968	130,343,675	135,874,006	153,437,626
12,689,169	14,004,156	14,495,589	17,243,831	19,307,505	16,908,636
300,805,171	295,405,692	385,152,996	326,690,971	368,417,927	422,611,631
73,211,370	81,889,959	89,103,717	83,287,986	92,139,434	101,196,898
13,044,195	13,906,365	15,860,795	15,511,822	17,786,695	19,638,991
2,529,664	2,974,666	3,428,622	3,103,345	3,530,669	3,516,813
3,452,349	3,141,846	3,756,007	3,305,398	3,323,809	4,562,236
2,497,132	2,573,380	3,487,970	3,288,595	3,490,248	4,996,471
94,734,710	104,486,216	115,637,111	108,497,146	120,270,855	133,911,409
395,539,881	399,891,908	500,790,107	435,188,117	488,688,782	556,523,040
6,872,544	6,341,600	6,606,808	7,105,844	7,167,145	7,110,314
12,049,004	11,816,379	11,948,303	12,914,112	12,698,934	17,538,927
9,275,408	13,532,065	17,883,171	16,545,655	18,662,622	26,523,708
15,092,783	19,138,584	21,732,362	21,429,694	24,453,297	25,665,725
63,784,399	45,398,240	48,357,006	53,872,349	62,005,076	68,024,808
417,050	6,974,967	10,088,804	25,022,416	13,072,948	11,140,350
107,491,188	103,201,835	116,616,454	136,890,070	138,060,022	156,003,832
80,576,747	82,449,178	95,970,116	99,001,299	115,079,235	124,853,612
14,245,989	14,941,131	14,983,659	17,374,077	18,595,340	19,400,817
1,906,648	2,108,698	2,845,332	2,806,697	2,708,670	2,909,747
2,386,574	2,975,689	3,327,831	3,607,692	3,834,396	4,350,899
7,682,534	7,927,729	8,056,518	8,200,824	8,456,991	8,422,929
96,306	-	-	-	-	-
10,069,185	15,545,712	17,925,639	15,849,994	15,787,217	23,903,174
116,963,983	125,948,137	143,109,095	146,840,583	164,461,849	183,841,178
224,455,171	229,149,972	259,725,549	283,730,653	302,521,871	339,845,010

City of Grand Prairie, Texas

Changes in Net Position

Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
NET (EXPENSES)/REVENUE				
Governmental activities	\$ (155,096,630)	\$ (167,917,627)	\$ (183,998,994)	\$ (193,768,514)
Business-type activities	21,874,362	17,882,213	21,119,494	19,796,970
Total primary government net expense	\$ (133,222,268)	\$ (150,035,414)	\$ (162,879,500)	\$ (173,971,544)
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property taxes	\$ 73,070,467	\$ 77,923,990	\$ 84,925,774	\$ 94,648,690
Sales taxes	53,494,773	57,076,997	60,585,824	64,250,717
Hotel/motel tax and other taxes	1,713,865	1,791,075	2,015,917	2,208,298
Franchise fees	14,089,158	13,928,847	9,996,934	14,485,521
Investment income	1,609,156	2,173,508	2,425,419	3,506,788
Gain on the disposal of capital assets				
Transfers-monetary	2,428,935	5,097,654	5,271,645	6,272,419
Transfers-capital assets	(25,800)	248,454	-	-
Total governmental activities	146,380,554	158,240,525	165,221,513	185,372,433
Business-type activities:				
Investment income	1,750	8,567	21,245	43,661
Transfers-monetary	(2,428,935)	(5,097,654)	(5,271,645)	(6,272,419)
Miscellaneous revenue	25,800	(248,454)	-	-
Total business-type activities	(2,401,385)	(5,337,541)	(5,250,400)	(6,228,758)
Total primary government	143,979,169	152,902,984	159,971,113	179,143,675
CHANGES IN NET POSITION				
Governmental activities	1,300,629	3,143,895	(2,696,114)	1,373,439
Business-type activities	7,535,811	16,536,821	12,631,813	14,890,736
Total primary government	\$ 8,836,440	\$ 19,680,716	\$ 9,935,699	\$ 16,264,175

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ (193,313,983)	\$ (192,203,857)	\$ (268,536,542)	\$ (189,800,901)	\$ (230,357,905)	\$ (266,607,799)
22,229,273	21,461,921	27,471,984	38,343,437	44,190,994	49,929,769
<u>\$ (171,084,710)</u>	<u>\$ (170,741,936)</u>	<u>\$ (241,064,558)</u>	<u>\$ (151,457,464)</u>	<u>\$ (186,166,911)</u>	<u>\$ (216,678,030)</u>
\$ 106,378,593	\$ 116,020,990	\$ 113,824,809	\$ 120,270,539	\$ 139,289,758	\$ 163,815,374
69,672,182	70,808,392	80,187,852	93,977,609	95,821,700	99,057,622
2,231,019	1,794,491	2,366,924	3,584,865	3,985,044	7,260,419
14,796,138	13,903,806	14,022,362	15,030,726	15,908,189	15,958,788
9,776,886	7,952,664	333,285	(9,271,537)	18,416,817	8,663,229
	-	-	-	-	1,762,131
7,253,810	4,830,999	1,889,338	-	7,528,038	5,995,188
-	-	-	-	-	-
210,108,628	215,311,342	212,624,570	223,592,202	280,949,546	302,512,751
65,360	25,770	-	19,242	137,763	147,889
(7,253,810)	(4,830,999)	1,116	-	(7,528,038)	(5,995,188)
(108,599)	-	(1,889,338)	-	251,066	114,219
<u>(7,297,049)</u>	<u>(4,805,229)</u>	<u>(1,888,222)</u>	<u>19,242</u>	<u>(7,139,209)</u>	<u>(5,733,080)</u>
202,811,579	210,506,113	210,736,348	223,611,444	273,810,337	296,779,671
16,340,114	21,997,359	(55,911,972)	33,791,301	50,591,641	35,904,952
12,499,921	17,424,044	25,583,762	38,362,679	37,051,785	44,196,689
<u>\$ 28,840,035</u>	<u>\$ 39,421,403</u>	<u>\$ (30,328,210)</u>	<u>\$ 72,153,980</u>	<u>\$ 87,643,426</u>	<u>\$ 80,101,641</u>

Concluded

City of Grand Prairie, Texas

Fund Balances

Governmental Funds (Unaudited)

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2016	2017	2018	2019
GENERAL FUND				
Unassigned	\$ 28,320,160	\$ 27,974,657	\$ 30,344,160	\$ 41,554,116
Nonspendable	81,857	12,867	2,743	-
Restricted	417,938	415,230	466,299	505,059
Committed	-	-	-	-
Assigned	2,191,940	2,943,951	2,931,849	3,121,096
Total general fund	<u>\$ 31,011,895</u>	<u>\$ 31,346,705</u>	<u>\$ 33,745,051</u>	<u>\$ 45,180,271</u>
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	187,991	28,492	76,272	75,907
Restricted	128,375,098	94,489,508	84,458,973	133,008,150
Committed	64,315,780	74,729,604	52,841,228	81,520,543
Unassigned	-	(947,692)	(629,198)	-
Total all other governmental funds	<u>\$ 192,878,869</u>	<u>\$ 168,299,912</u>	<u>\$ 136,747,275</u>	<u>\$ 214,604,600</u>

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 47,731,260	\$ 46,567,628	\$ 36,248,742	\$ 58,672,975	\$ 70,691,979	\$ 77,021,989
35,344	432,009	334,630	775,919	775,513	927,904
543,119	594,260	438,363	593,166	2,530,094	-
-	-	775,919	-	-	-
12,338,707	2,412,477	1,555,752	2,017,267	2,136,596	2,062,553
<u>\$ 60,648,430</u>	<u>\$ 50,006,374</u>	<u>\$ 39,353,406</u>	<u>\$ 62,059,327</u>	<u>\$ 76,134,182</u>	<u>\$ 80,012,446</u>
35,876	59,464	93,311	205,042	144,071	2,589,021
107,378,467	188,479,120	148,697,003	154,979,849	229,395,511	263,949,672
66,052,337	60,721,090	69,956,888	84,417,243	46,711,132	64,001,674
-	-	-	-	-	(645,394)
<u>\$ 173,466,680</u>	<u>\$ 249,259,674</u>	<u>\$ 218,747,202</u>	<u>\$ 239,602,134</u>	<u>\$ 276,250,714</u>	<u>\$ 329,894,973</u>

City of Grand Prairie, Texas
Change in Fund Balances
Governmental Funds (Unaudited)
Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
REVENUES				
Taxes	\$ 136,906,439	\$ 147,741,668	\$ 161,126,311	\$ 177,800,911
Licenses, fees, and permits	17,890,589	17,417,402	17,914,962	18,527,161
Fines and penalties	11,612,547	11,364,139	11,342,338	10,326,139
Charges for services	19,008,539	21,507,834	24,837,174	28,166,142
Intergovernmental	38,114,832	38,100,982	35,840,373	37,021,321
Investment income	2,173,508	2,425,419	3,506,788	9,776,886
Other revenues	15,410,164	12,694,334	12,228,046	15,100,674
Total revenues	241,116,618	251,251,778	266,795,992	296,719,234
EXPENDITURES				
Current operations:				
Support services	19,588,300	22,703,145	24,662,284	26,079,838
Public safety services	81,750,530	88,005,227	94,732,585	97,367,410
Recreation and leisure services	22,025,867	24,800,496	26,336,423	28,661,888
Development services	66,264,413	66,982,812	75,317,973	78,875,185
Capital outlay	59,000,134	85,802,825	83,420,486	64,550,906
Debt service:				
Principal retirement	21,800,000	24,400,000	25,005,000	31,085,000
Interest	11,583,140	12,839,071	13,774,026	15,684,195
Total expenditures	282,012,384	325,533,576	343,248,777	342,304,422
Excess of revenues over (under) expenditures	(40,895,766)	(74,281,798)	(76,452,785)	(45,585,188)
OTHER FINANCING SOURCES (USES)				
Transfers in-monetary	22,994,446	27,108,570	35,830,314	38,021,660
Transfers out-monetary	(18,172,770)	(22,102,792)	(29,782,701)	(28,737,537)
Insurance recovery	88,101	-	-	-
Proceeds from sale of capital assets	753,054	898,895	1,022,331	1,126,997
Premium (discount) on debt issued	4,788,385	9,244,207	3,713,550	7,541,613
Issuance of debt-bonds	102,845,001	40,614,999	36,515,000	116,925,000
Refunding bonds issued	11,165,000	36,945,000	-	-
Payment for refunded debt - escrow agent	(12,054,512)	(42,671,228)	-	-
Issuance of debt- leases and SBITAs	-	-	-	-
Total other financing sources	112,406,705	50,037,651	47,298,494	134,877,733
Net change in fund balances	\$ 71,510,939	\$ (24,244,147)	\$ (29,154,291)	\$ 89,292,545
Debt service as a percentage of noncapital expenditures	15.0%	15.5%	14.9%	16.8%

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 187,737,594	\$ 195,932,003	\$ 217,125,702	\$ 238,698,954	\$ 256,789,731	\$ 267,531,573
17,391,273	18,605,808	19,546,001	20,099,342	21,596,404	20,516,887
6,239,056	6,247,413	5,874,938	5,611,222	6,249,891	7,048,794
23,507,913	27,048,695	31,860,881	32,492,840	35,321,775	40,572,036
63,519,235	44,944,122	54,635,541	71,562,292	69,684,870	74,385,407
7,952,664	333,285	24,645	18,425,848	30,925,253	8,663,229
11,574,218	14,763,526	8,134,994	16,412,954	17,681,616	24,503,670
317,921,953	307,874,852	337,202,702	403,303,452	438,249,540	443,221,596
26,386,107	25,734,614	38,071,024	35,195,709	40,330,018	40,841,573
99,283,284	103,912,676	152,594,268	114,382,750	124,445,421	128,241,764
25,106,602	26,124,266	38,057,302	37,597,325	38,560,799	42,042,110
86,609,926	84,420,479	104,066,641	110,152,971	114,031,418	126,328,022
61,990,328	66,180,209	99,903,333	75,936,796	78,851,601	81,494,475
34,785,000	34,875,000	38,417,530	35,578,408	48,377,240	46,341,290
15,890,125	15,772,930	18,560,314	17,675,716	19,317,969	19,669,956
350,051,372	357,020,174	489,670,412	426,519,675	463,914,466	484,959,190
(32,129,419)	(49,145,322)	(152,467,710)	(23,216,223)	(25,664,926)	(41,737,594)
43,999,920	90,172,311	58,530,963	39,143,188	55,701,437	36,843,859
(38,938,702)	(88,082,896)	(60,651,294)	(31,620,912)	(50,185,427)	(30,440,961)
-	-	-	-	-	-
1,173,262	1,839,420	1,982,221	1,613,395	1,875,907	2,682,766
2,734,530	3,272,425	2,435,227	4,417,324	7,748,443	7,099,694
-	107,095,000	101,770,001	54,000,000	61,248,001	81,580,000
19,475,000	-	105,927,637	-	-	-
(21,984,352)	-	(104,940,704)	-	-	-
-	-	5,472,300	-	-	1,504,759
6,459,658	114,296,260	110,526,351	67,552,995	76,388,361	99,270,117
\$ (25,669,761)	\$ 65,150,938	\$ (41,941,359)	\$ 44,336,772	\$ 50,723,435	\$ 57,532,523
17.6%	17.4%	14.6%	15.2%	17.6%	16.4%

City of Grand Prairie, Texas

Assessed and Estimated Actual
Values of Taxable Property (Unaudited)
Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Direct Tax Rate	Actual Taxable Value	Percentage of Actual Taxable Value
2016	6,554,865,229	6,984,603,149	2,443,858,378	11,095,610,000	0.669998	11,095,610,000	100.0%
2017	6,438,258,351	8,996,790,075	3,117,157,618	12,317,890,808	0.669998	12,317,890,808	100.0%
2018	7,205,616,896	9,745,440,048	3,429,449,736	13,521,607,208	0.669998	13,521,607,208	100.0%
2019	8,170,636,070	10,341,456,342	3,757,076,819	14,755,015,593	0.669998	14,755,015,593	100.0%
2020	8,702,702,995	11,622,970,621	4,000,550,508	16,325,123,108	0.669998	16,325,123,108	100.0%
2021	9,263,788,979	11,908,708,152	4,192,196,016	16,980,301,115	0.669998	16,980,301,115	100.0%
2022	10,265,520,735	12,199,094,378	4,338,880,633	18,125,734,480	0.664998	18,125,734,480	100.0%
2023	11,728,446,107	13,460,465,176	4,213,499,557	20,975,411,726	0.660000	20,975,411,726	100.0%
2024	14,326,055,184	16,092,759,860	6,880,747,105	23,538,067,939	0.660000	23,538,067,939	100.0%
2025	14,852,094,312	17,290,060,633	7,440,739,389	24,701,415,556	0.66	24,701,415,556	100.0%

Taxable assessed values include values under protest as claimed by property owners or estimated by appraisal districts in the event property owner's claim is upheld.



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City of Grand Prairie, Texas

Direct and Overlapping Property Tax Rates (Unaudited)

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

	Fiscal Year			
	2016	2017	2018	2019
OVERLAPPING RATES				
City of Grand Prairie	0.669998	0.669998	0.669998	0.669998
Grand Prairie School District	1.595000	1.595000	1.595000	1.538350
Arlington School District	1.390080	1.368670	1.368670	1.298670
Cedar Hill School District	1.516000	1.516000	1.376000	1.306000
Irving School District	1.445000	1.431400	1.401100	1.305100
Mansfield School District	1.510000	1.540000	1.540000	1.460000
Midlothian School District	1.540000	1.540000	1.540000	1.470000
Dallas County	0.243100	0.243100	0.243100	0.243100
Dallas County Community College District	0.122933	0.124238	0.124000	0.124000
Dallas County Hospital District	0.279400	0.279400	0.279400	0.269500
Dallas County Flood Control District	2.250000	2.000000	1.800000	1.500000
Grand Prairie Met Utl & Reclam Dist.	0.600000	0.600000	0.600000	0.600000
Ellis County	0.380091	0.380091	0.338984	0.329557
Johnson County	0.422663	0.441700	0.441700	0.384700
Tarrant County	0.254000	0.244000	0.234000	0.234000
Tarrant County Hospital District	0.227897	0.224429	0.224429	0.224429
Tarrant County Junior College District	0.144730	0.140060	0.136070	0.130170
CITY DIRECT RATES				
Operations & Maintenance	0.473549	0.473549	0.471196	0.463696
Interest & Sinking	0.196449	0.196449	0.198802	0.206302
Total Direct Rates	0.669998	0.669998	0.669998	0.669998

Totals are not provided for columns since they would be meaningless as some jurisdictions are mutually exclusive.

Source of Information: Dallas Central Appraisal District, Dallas County Tax Office, Tarrant Appraisal District, Johnson County Tax Office, and Ellis County Appraisal District

Fiscal Year					
2020	2021	2022	2023	2024	2025
0.669998	0.669998	0.664998	0.660000	0.660000	0.660000
1.509700	1.509700	1.376300	1.307000	1.095050	1.057700
1.387100	1.387100	1.360800	1.308700	1.115600	1.103500
1.283300	1.283300	1.238400	1.190600	1.132600	1.127900
1.275100	1.275100	1.207700	1.147400	1.028100	1.015900
1.446400	1.446400	1.418300	1.334600	1.149200	1.146900
1.379800	1.379800	1.352000	1.294600	1.109200	1.076900
0.239740	0.239740	0.227946	0.217946	0.215718	0.215500
0.124000	0.124000	0.123510	0.115899	0.110028	0.105595
0.266100	0.266100	0.255000	0.235800	0.219500	0.212000
1.400000	1.400000	1.300000	1.100000	1.000000	0.900000
0.600000	0.600000	0.600000	0.600000	0.600000	0.600000
0.320194	0.320194	0.310708	0.273001	0.252862	0.255357
0.384700	0.384700	0.379700	0.368455	0.335000	0.329276
0.234000	0.234000	0.229000	0.224000	0.194500	0.187500
0.224429	0.224429	0.224429	0.224429	0.194500	0.182500
0.130170	0.130170	0.130170	0.130170	0.112170	0.112280
0.457127	0.460638	0.452091	0.451076	0.428769	0.418030
0.212871	0.209360	0.212907	0.208924	0.231231	0.241970
0.669998	0.669998	0.664998	0.660000	0.660000	0.660000

City of Grand Prairie, Texas

Principal Property Tax Payers (Unaudited)

Current Year and Nine Years Ago

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Prologis LP	\$ 453,723,915	1	1.84%			
CH AZ Wildlife 4 6 LP	348,836,900	2	1.41%			
Oncor Electric Delivery	254,893,143	3	1.03%	76,249,316	6	0.69%
Lockheed Martin Corp	237,329,510	4	0.96%	113,618,275	3	1.02%
WMCI Dallas V LLC	163,500,000	5	0.66%			
Poly Trucking INC	153,869,301	6	0.62%			
Bell Textron INC	138,528,185	7	0.56%			
Mars Partners LTD	106,567,633	8	0.43%	49,701,779	7	0.45%
S2 Windridge LLC	93,623,614	9	0.38%			
Republic Beverage	91,089,408	10	0.37%			
Grand Prairie Outlets				137,969,283	1	1.24%
Bell Helicopter-Textron				120,960,693	2	1.09%
Poly America LP				95,734,588	4	0.86%
Duke Realty LTD PS				79,191,810	5	0.71%
2803 Riverside Apt Investors LLC				48,000,000	8	0.43%
MBS-Stone Lake LTD				43,233,691	9	0.39%
PRCP-Dallas St Laurent LP				42,600,000	10	0.38%
Total	\$ 2,041,961,609		8.27%	\$ 807,259,435		7.26%

Source of Information: Dallas County Tax Office

City of Grand Prairie, Texas

Property Tax Levies and Collections (Unaudited)

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections from Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	74,306,335	73,535,755	98.96%	632,368	74,168,123	99.81%
2017	81,305,307	80,079,624	98.49%	1,075,245	81,154,869	99.81%
2018	88,709,078	87,616,588	98.77%	895,145	88,511,733	99.76%
2019	98,194,923	96,928,611	98.71%	768,659	97,697,270	99.46%
2020	106,940,678	105,665,085	98.81%	964,010	106,629,095	99.63%
2021	113,882,697	112,698,548	98.96%	785,999	113,484,547	99.51%
2022	121,629,982	120,364,252	98.96%	696,310	121,060,562	98.96%
2023	136,364,135	134,869,298	98.90%	768,530	135,637,828	98.90%
2024	152,780,511	151,043,256	98.86%	-	151,043,256	98.86%
2025	163,120,750	161,016,122	98.71%	-	161,016,122	98.71%

Amounts above exclude property tax revenue assessed and collected for Tax Increment Financing Districts.

Tax Lien and Assessment Date:	January 1 each year
Taxes due:	October 1 of the same year
Taxes delinquent:	February 1 of the following year

City of Grand Prairie, Texas

Ratios of Outstanding Debt by Type (Unaudited)

Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type Activities				
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Obligation	Other Obligations	Leases and SBITA	Issuance Premium/ Discounts Net	Water Revenue Bonds	Certificates of Obligation	Issuance Premium/ Discounts Net	Leases and SBITA
2016	79,965,000	122,650,000	113,415,000	-	-	10,283,952	51,010,000	1,320,000	1,331,968	1,256,303
2017	79,130,000	123,925,000	126,385,000	-	-	18,506,395	56,490,000	1,180,000	3,505,394	956,022
2018	70,210,000	117,810,000	152,930,000	-	-	20,701,245	54,435,000	1,035,000	4,014,433	330,129
2019	60,820,000	109,120,000	259,255,000	-	-	26,528,815	52,695,000	885,000	3,752,233	-
2020	59,055,000	101,960,000	230,835,000	-	-	26,089,621	46,625,000	725,000	4,917,391	-
2021	117,175,000	89,965,000	254,920,000	-	-	27,203,630	41,485,000	555,000	3,095,945	-
2022	224,252,000	86,100,000	224,835,000	-	4,743,892	24,027,686	36,190,000	380,000	2,824,212	625,437
2023	221,579,000	80,855,000	252,985,000	-	5,128,624	27,321,415	41,510,000	195,000	2,973,226	404,108
2024	206,783,000	75,360,040	280,040,000	8,473,000	6,272,701	32,624,279	35,890,000	-	2,694,960	8,287
2025	191,766,000	69,705,040	346,100,000	-	5,581,660	4,838,433	58,260,000	-	4,838,433	1,039,831

Details regarding the City's outstanding debt can be found in the Notes to the Basic Financial Statements.

Total Primary Government	Percentage of Average Household Income	Per Capita
381,232,223	0.02%	2,065
410,077,811	0.01%	2,192
421,465,807	0.01%	2,225
513,056,048	0.01%	2,676
470,207,012	0.01%	2,409
534,399,575	0.01%	2,654
603,978,227	0.01%	2,996
632,951,373	0.01%	3,061
648,146,267	0.01%	3,068
682,129,397	0.01%	3,288

City of Grand Prairie, Texas

Ratios of General Bonded Debt Outstanding (Unaudited)

Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Less: Amounts Available in Debt Service Fund	Total		
2016	79,965,000	113,415,000	11,804,301	181,575,699	1.64%	984
2017	79,130,000	126,385,000	8,754,196	196,760,804	1.60%	1,052
2018	70,210,000	152,930,000	5,535,816	217,604,184	1.61%	1,149
2019	60,820,000	259,255,000	3,734,760	316,340,240	2.14%	1,650
2020	59,055,000	230,835,000	2,489,225	287,400,775	1.76%	1,472
2021	117,175,000	254,920,000	3,787,564	368,307,436	2.17%	1,836
2022	224,252,000	224,835,000	5,659,255	443,427,745	2.45%	2,220
2023	221,579,000	252,985,000	1,585,490	472,978,510	2.25%	2,308
2024	206,783,000	280,040,000	1,337,823	485,485,177	2.06%	2,320
2025	191,766,000	346,100,000	2,917,894	534,948,106	2.17%	2,486

Details regarding the City's outstanding debt can be found in the Notes to the Basic Financial Statements.

City of Grand Prairie, Texas

Direct and Overlapping

Governmental Activities of Debt (Unaudited)

As of September 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable¹	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Arlington Independent School District	\$ 1,224,080,000	14.87%	\$ 182,020,696
Cedar Hill Independent School District	339,202,798	8.79%	29,815,926
Dallas County	179,530,000	3.24%	5,816,772
Dallas County Community College District	247,115,000	3.24%	8,006,526
Dallas County Flood Control District #1	14,430,000	3.61%	520,923
Dallas County Hospital District	511,285,000	3.24%	16,565,634
Ellis County Fresh Water Supply District No. 1	32,955,000	0.24%	79,092
Grand Prairie Independent School District	320,395,000	89.95%	288,195,303
Irving Independent School District	745,650,000	0.93%	6,934,545
Mansfield Independent School District	1,260,570,000	25.49%	321,319,293
Midlothian Independent School District	333,690,000	3.01%	10,044,069
Tarrant County	314,050,000	3.65%	11,462,825
Tarrant Co College Dist	547,535,000	3.65%	19,985,028
Tarrant County Hospital District	431,255,000	3.65%	15,740,808
Subtotal, overlapping debt			916,732,794
City direct debt²	495,296,000	100.00%	537,866,000
Total direct and overlapping debt			\$ 1,454,598,794

¹ Estimated percentage is based on a formula using assessed property values.

² Excludes refunded obligations and non-property tax debt reported in governmental funds.

Source of Information: Municipal Advisory Council of Texas

City of Grand Prairie Finance Department - per O/S

City of Grand Prairie, Texas

Legal Debt Margin Information (Unaudited)

Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
Debt limit	\$ 277,390,250	\$ 307,947,270	\$ 338,040,180	\$ 368,875,390
Total net debt applicable to limit	181,575,699	196,760,804	217,604,184	316,340,240
Legal debt margin	<u>\$ 95,814,551</u>	<u>\$ 111,186,466</u>	<u>\$ 120,435,996</u>	<u>\$ 52,535,150</u>
Total net debt applicable to the limit as a percentage of debt limit	65.46%	63.89%	64.37%	85.76%

Details regarding the City's debt limit can be found in the Notes to the Basic Financial Statements.

	2025
Assessed value	\$ 24,701,415,556
Debt limit (2.5% of assessed value)	617,535,389
Debt applicable to limit:	
Total direct debt	537,866,000
Less: Amount set aside for repayment of general obligation debt	(2,917,894)
Total net debt applicable to limit	<u>534,948,106</u>
Legal debt margin	<u>\$ 82,587,283</u>

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 408,128,078	\$ 424,507,528	\$ 453,143,362	\$ 524,385,293	\$ 588,451,698	\$ 617,535,389
287,400,775	368,307,436	443,427,745	472,978,510	485,485,177	534,948,106
\$ 120,727,303	\$ 56,200,092	\$ 9,715,617	\$ 51,406,783	\$ 102,966,521	\$ 82,587,283
70.42%	86.76%	97.86%	90.20%	82.50%	86.63%

City of Grand Prairie, Texas

Pledged Revenue Coverage (Unaudited)

Last Ten Fiscal Years

Fiscal Year	Water Revenue Bonds						Sales Tax Revenue Bonds ⁴		
	Utility Service Charges ¹	Less: Operating Expenses ²	Net Available Revenue	Debt Service		Coverage ³	Sales Tax Increment	Maximum Annual Debt Service	Coverage ⁵
				Principal	Interest				
2016	70,027,679	51,530,262	18,497,417	4,380,000	1,693,162	3.05	7,268,076	2,692,441	2.70
2017	74,668,468	55,531,071	19,137,397	4,510,000	1,637,666	3.11	7,667,736	2,692,441	2.85
2018	80,293,189	56,480,299	23,812,890	4,810,000	1,702,265	3.66	8,207,902	2,692,178	3.05
2019	76,853,323	57,095,478	19,757,845	5,202,200	1,604,918	2.90	8,790,989	2,691,674	3.27
2020	82,440,094	58,388,037	24,052,057	4,850,445	1,442,083	3.82	8,936,324	2,663,493	3.36
2021	87,351,497	66,479,968	20,871,529	4,848,267	1,388,654	3.35	10,084,006	2,663,493	3.79
2022	100,125,633	71,730,068	28,395,565	5,023,267	1,214,044	4.55	11,765,408	2,663,493	4.42
2023	102,570,666	67,285,796	35,284,870	5,445,000	1,341,927	5.20	12,010,058	2,663,493	4.51
2024	111,754,332	76,640,738	35,113,594	5,620,000	1,361,581	5.03	12,064,712	2,663,493	4.53
2025	121,318,264	84,912,700	36,405,564	5,500,000	1,546,605	23.54	12,287,167	2,663,493	4.61

¹ Revenues include operating revenues plus impact fees and investment income.

² Expenses exclude depreciation expense.

³ Bond covenants require coverage of no less than 1.25.
The City's financial policy coverage goal is 2.00.

⁴ The City's initial Park Venue Sales Tax Revenue Bonds were issued in fiscal year 2000.

⁵ Bond covenants require a coverage of no less than 1.25.
The City's financial policy requires a coverage of no less than 1.50.

City of Grand Prairie, Texas

Demographic And Economic Statistics (Unaudited)

Last Ten Fiscal Years

Calendar Year	Population	Median Household Income	Per Capita Income	Median Age	Public School Enrollment	Unemployment Rate
2016	184,620	57,851	23,516	32	29,339	3.7%
2017	187,050	59,675	23,695	32	29,339	3.4%
2018	189,430	59,563	23,864	32	30,000	3.4%
2019	191,720	63,882	25,681	32.5	30,000	3.1%
2020	195,200	67,388	26,761	33	30,000	7.4%
2021	200,640	69,408	26,761	33	30,000	4.4%
2022	199,780	75,885	29,504	33	27,000	3.4%
2023	204,973	74,275	32,444	33	27,000	3.9%
2024	209,231	79,569	34,348	35	26,000	3.9%
2025	215,210	83,132	35,192	34	26,000	4.2%

Sources of Information:

Estimated Population: North Central Texas Council of Governments, GP website

Median Household Income: CLRsearch.com, GP Website

Per Capita Income: CLRsearch.com, Census.gov

Median Age: ESRI GP Website

Public School Enrollment: GPISD website (District Improvement Plan)

Unemployment Rate: Bureau of Labor Statistics Dallas-Fort Worth-Arlington

City of Grand Prairie, Texas

Principal Employers (Unaudited)

Current Year and Nine Years Ago

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lockheed Martin Missiles and Fire Control	5,000	1	4.68%	2,500	2	2.89%
Grand Prairie Independent School District	4,198	2	3.93%	3,650	1	4.22%
Poly-America Inc.	2,700	3	2.52%	2,000	3	2.31%
City of Grand Prairie	1,748	4	1.63%	1,421	4	1.64%
Flex-N-Gate	1,400	5	1.31%			
Siemens Energy & Automation, Inc	1,200	6	1.12%			
Lear Seating	1,105	7	1.03%			
Rinker International / Grand Prairie Pipe	950	8	0.89%			
Lone Star Park at Grand Prairie	950	9	0.89%	950	6	1.10%
K & N Filters	800	10	0.75%			
Bell Helicopter-Textron				1,150	5	1.33%
Triumph Aero Structures - Vought				950	7	1.10%
Hanson Pipe & Products				950	8	1.10%
Airbus Helicopters				850	9	0.98%
Republic National Distributing				700	10	0.81%
Total	20,051		18.75%	15,121		17.48%

Source of Information: Municipal Advisory Council of Texas
Texas Workforce Commission

City of Grand Prairie, Texas

Full-Time-Equivalent City Government Employees by Function/Program Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government:										
General Government and Administration ¹	148.5	153.0	162.5	163.5	163.5	159.0	171.0	187.0	192.5	199.0
General Services*	19.0	19.0	19.0	19.0	19.0	19.0	19.0	22.0	30.0	29.0
Engineering Services*	-	-	-	-	-	-	-	-	19.0	19.0
Economic Development	1.0	4.5	4.5	4.0	4.0	6.0	7.0	9.0	10.0	7.0
Public Health and Environmental Quality	29.5	31.0	36.5	37.0	38.0	41.0	9.0	9.0	10.0	9.0
Fire	230.5	233.5	236.5	240.5	243.5	247.5	249.5	258.5	275.0	280.0
Library	29.5	32.5	35.0	36.0	36.0	35.0	36.0	38.0	41.0	40.5
Parks and Recreation	190.0	194.0	254.7	226.5	235.5	232.0	238.7	249.3	261.0	261.0
Planning and Development	38.0	39.0	39.5	39.5	39.5	39.5	30.0	41.0	42.0	37.5
Police	435.5	453.5	468.5	484.0	488.0	484.5	483.5	506.0	520.5	498.0
Public Works*	61.5	61.5	65.5	65.5	65.5	59.5	76.0	74.0	-	-
Transportation*	19.0	19.0	21.0	22.0	22.0	20.0	20.0	33.0	91.0	84.0
Enterprise Operations:										
Airport	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Golf	29.0	29.0	29.0	27.3	27.3	27.3	27.3	24.3	31.0	30.5
Solid Waste	44.0	44.0	44.0	47.5	55.5	54.5	55.5	58.5	58.5	56.5
Storm Water	7.0	8.0	9.0	10.0	10.0	10.0	13.0	14.0	15.0	18.0
Water/Wastewater	114.0	120.5	124.0	127.0	136.0	134.0	145.5	148.5	150.5	144.5
Internal Service Operations:										
Equipment Services	17.0	18.5	18.5	18.5	22.5	22.5	23.5	24.5	23.5	25.0
Risk Management	2.5	2.5	2.0	2.5	2.5	2.5	3.5	3.5	3.5	3.5
Total	1,421.5	1,469.0	1,575.7	1,576.3	1,614.3	1,599.8	1,614.0	1,706.1	1,780.0	1,748.0

Full-time-equivalent (FTE) positions are calculated using both full-time and part-time City positions as reported in the City's Budget Book for the same fiscal year. Details regarding changes in positions by function/program may be found in the FY 2024-2025 Budget Book.

¹ Combined in FY24 for reporting purposes; Budget and Research, Building and Construction Management, City Managers Office, Finance, Housing and Neighborhood Services, Human Resources Information Technology, Judiciary, Legal Services, Management Services, Marketing, Municipal Court, Purchasing.

*FY24 General Services made up of Facility Services, Equipment Services (Listed under Internal Service Fund), Cemetery.

*FY24 Engineering Services made up of portion of former Public Works positions.

*FY24 Public Works split between Engineering Services and Transportation.

*FY24 Facility Services moved from Planning and Development to General Services.

*FY24 Cemetery moved out of Parks and Recreation to General Services.

Source of Information: City Budget Office

City of Grand Prairie, Texas

Capital Assets Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2016	2017	2018	2019
Police				
Stations	2	2	2	2
Public safety training complex	1	1	1	1
Storefronts	3	3	3	3
Fire stations	10	10	10	10
Other public works				
Streets (miles)	634	631	632	634
Acreage	51,954	51,984	51,984	52,070
Public parks	57	57	57	57
Baseball/softball diamonds	25	25	25	25
Soccer/football fields	21	21	21	21
Community/recreation centers	8	8	9	9
Public golf courses	2	2	2	2
Public swimming pools	4	4	5	5
Libraries	3	3	3	3
Cemetery	1	1	1	1
Water				
Water connections	66,075	66,075	67,794	69,333
Daily consumption (millions of gallons)	24.56	25.00	26.06	24.67
Wastewater				
Daily flow (millions of gallons)	16.57	15.92	16.40	20.58
Airports	1	1	1	1
Transit—minibuses	12	12	12	13

Source of Information: City departments.

Fiscal Year						
2020	2021	2022	2023	2024	2025	
2	2	2	2	2	2	2
1	1	1	1	1	1	1
3	3	3	2	2	2	2
10	10	10	10	10	10	11
641	653	658	660	667	677	
52,044	52,127	52,122	52,122	54,856	56,487	
57	57	57	57	57	57	57
25	25	25	25	25	25	25
21	21	21	21	21	21	21
9	9	9	9	9	9	9
2	2	2	2	2	2	2
5	5	5	5	5	5	5
3	3	3	3	3	3	3
1	1	1	1	1	1	1
70,944	72,483	75,580	77,642	80,979	83,246	
25.30	24.16	27.52	27.42	27.65	28.26	
18.38	17.76	15.70	16.53	18.29	19.22	
1	1	1	1	1	1	1
13	13	13	13	13	13	13

City of Grand Prairie, Texas

Water and Wastewater Contracts

Components of Payments Made under Selected Contracts

(Unaudited)

Last Ten Fiscal Years

Fiscal Year	Dallas Water Utilities			Trinity River Authority			Trinity River Authority	
	Water Purchases			Wastewater Treatment			Joe Pool	Joe Pool
	Volume	Demand	Total	O&M	Debt Service	Total	Lake Intake	Corp of Engineers
2016	3,687,583	8,228,711	11,916,294	5,895,397	8,559,504	14,454,901	6,782	396,612
2017	3,246,558	9,119,618	12,366,176	5,107,743	8,731,748	13,839,491	7,703	225,107
2018	3,624,469	9,479,477	13,103,946	5,612,671	10,134,974	15,747,645	8,334	5,324
2019	2,096,198	7,556,649	9,652,847	7,054,098	11,646,796	18,700,894	9,422	14,105
2020	3,518,313	10,108,439	13,626,752	6,266,764	11,529,790	17,796,554	8,652	19,791
2021	2,747,196	10,337,927	13,085,123	6,860,206	14,131,494	20,991,700	787	1,822
2022	3,838,743	11,816,541	15,655,284	6,025,051	13,906,900	19,931,951	9,428	15,967
2023	4,107,575	12,261,705	16,369,280	6,654,945	14,579,290	21,234,235	10,359	18,830
2024	4,620,748	12,894,997	17,515,745	7,900,393	16,150,352	24,050,745	12,107	15,460
2025	5,281,629	14,029,916	19,311,545	9,275,245	16,397,991	25,673,236	22,727	20,357

The City has contracted with the City of Dallas for water purchases and the Trinity River Authority for wastewater treatment. The City's obligation for water demand charges continues even if the City does not purchase water. Similarly, the obligation to TRA for Debt Service continues whether the City contributes to the wastewater flow or not. These contracts are explained in more detail in the Notes to the Basic Financial Statements under Contracts, Commitments, and Contingent Liabilities.



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City of Grand Prairie, Texas

Operating Indicators by Function (Unaudited)

Last Ten Fiscal Years

Function	Fiscal Year			
	2016	2017	2018	2019
Police				
911 calls received *	124,331	130,994	125,497	122,373
Non-emergency calls *	107,490	118,117	119,617	114,287
Calls for service *	231,821	205,213	225,612	236,660
Jail arrests *	9,395	9,387	8,765	9,400
Fire				
Total Fire and EMS calls *	18,408	18,648	19,180	18,297
Fire response calls for structure fires *	152	164	183	165
Street				
Number of miles of overlay streets	5	11	4	6
Number of street defects repaired	18,772	6,809	7,480	6,723
Number of linear ft of sidewalk repaired	17,276	18,437	30,734	19,243
Solid Waste				
Landfill refuse collected (tons)	198,529	224,599	221,919	246,174
Recyclables collected (tons)	5,386	5,468	6,104	5,692
Water				
Average daily consumption (thousands of gallons)	24,564	25,613	25,348	24,672
Wastewater				
Average daily sewage treatment (thousands of gallons)	16,569	16,307	17,573	20,585

* In calendar year

Source of Information: Various City departments.

Fiscal Year					
2020	2021	2022	2023	2024	2025
121,774	128,445	116,711	140,901	147,756	112,965
106,693	113,059	114,749	116,944	133,535	137,401
228,467	234,162	229,646	257,845	282,030	200,030
4,799	5,630	5,952	6,038	7,040	7,047
18,444	21,439	22,302	22,227	22,296	22,485
181	180	179	158	183	186
5	9	3	2	3	3
5,088	3,742	1,934	3,508	3,907	5,910
32,984	40,694	38,053	29,232	29,530	25,938
249,053	263,743	254,717	248,694	230,249	244,363
5,174	4,511	4,600	4,230	4,019	4,167
25,309	24,165	27,522	27,424	27,657	28,260
18,386	17,769	15,698	16,531	18,295	19,217